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LEGISLATIVE HISTORY

Public Law 88-482

H. R. 1839

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INDEX AND SUMMARY OF H. R. 1839

- Jan. 14, 1963 Rep. Teague introduced H. R. 1839 which was referred to House Ways and Means Committee. Print of bill as introduced.
- Jan. 30, 1963 House committee voted to report (but did not actually report) H. R. 1839.
- Feb. 4, 1963 House committee reported H. R. 1839. H. Report No. 25. Print of bill and report.
- Feb. 26, 1963 House passed H. R. 1839 without amendment.
- Feb. 28, 1963 H. R. 1839 was referred to the Senate Finance Committee. Print of bill as referred.
- Feb. 20, 1964 Sen. Mansfield and others introduced and Sen. Mansfield discussed S. 2525 which was referred to the Senate Finance Committee. Print of bill and remarks of Sen. Mansfield.
- Feb. 25, 1964 Several co-sponsors added to S. 2525.
Additional remarks of Sen. Mansfield.
- Feb. 28, 1964 Sen. Randolph expressed concern over effects of beef imports, and had his name added as co-sponsor of S. 2525.
- Mar. 9, 1964 Sen. Mansfield submitted amendment to H. R. 1839 to restrict meat imports. Print of amendment.
- July 1, 1964 Senate committee voted to report (but did not actually report) H. R. 1839 with a meat-imports amendment.
- July 2, 1964 Senate committee reported H. R. 1839 with amendments. S. Report No. 1167. Print of bill and report.
- July 9, 1964 Sen. Mansfield spoke in support of his proposed amendment to H. R. 1839.
- July 27, 1964 Senate began debate on H. R. 1839.
- July 28, 1964 Senate passed H. R. 1839 with amendments.
- Aug. 3, 1964 Several Representatives discussed H. R. 1839.
- Aug. 4, 1964 Rep. Martin objected to request to send H. R. 1839 to conference.

INDEX AND SUMMARY OF H. R. 1839, continued

- Aug. 5, 1964 House Rules Committee reported resolution to send H. R. 1839 to conference. H. Res. 814, H. Report No. 1698.
- Aug. 11, 1964 Both Houses agreed to send H. R. 1839 to conference.
- House and Senate conferees were appointed.
- Aug. 17, 1964 House received conference report on H. R. 1839. H. Report No. 1824. Print of report.
- Aug. 18, 1964 Both Houses agreed to conference report on H. R. 1839.
- Aug. 22, 1964 Approved: Public Law 88-482.

DIGEST OF PUBLIC LAW 88-482

MEAT IMPORT QUOTAS AND IMPORTATION OF WILD ANIMALS.

Provides that it is the policy of the Congress that the aggregate quantity of fresh, chilled, or frozen cattle meat and fresh, chilled, or frozen meat of goats and sheep (except lambs) which may be imported into the U. S. in any calendar year after 1964 should not exceed 725,400,000 pounds, except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these items in that calendar year and the two preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these items during the years 1959 through 1963, inclusive. Provides that the Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish the aggregate quantity prescribed by the above formula and the aggregate quantity of items which would be imported in the calendar year, and that the President shall by proclamation limit the total quantity which may be imported. Requires the Secretary of Agriculture to allocate the total quantity proclaimed among supplying countries on the basis of the shares such countries supplied to the U. S. market during a representative period. Authorizes the President to suspend any proclamation, or increase the total

quantity proclaimed, if he determines that such action is required by the national interest, or the supply will be inadequate to meet domestic demand at reasonable prices, or trade agreements entered into ensure that congressional policy will be carried out. Provides that all determinations by the President and the Secretary of Agriculture shall be final.

Amends the Tariff Act of 1930 so as to permit the free entry into the U.S. of wild animals, including birds and fish, imported for certain scientific or educational purposes.

H. R. 1839

OF THE HOUSE OF REPRESENTATIVES

IN SENATE

APRIL 18, 1866. REPORT OF THE SELECT COMMITTEE ON THE PETITION OF THE

A BILL

FOR THE PURPOSE OF PROVIDING FOR THE CONSTRUCTION OF A RAILROAD FROM THE CITY OF WASHINGTON TO THE CITY OF BALTIMORE, AND FOR THE PURPOSE OF PROVIDING FOR THE CONSTRUCTION OF A RAILROAD FROM THE CITY OF WASHINGTON TO THE CITY OF PHILADELPHIA.

1. That the Secretary of the Interior be and he is hereby authorized to
2. That the Secretary of the Interior be and he is hereby authorized to
3. That the Secretary of the Interior be and he is hereby authorized to
4. That the Secretary of the Interior be and he is hereby authorized to
5. That the Secretary of the Interior be and he is hereby authorized to
6. That the Secretary of the Interior be and he is hereby authorized to
7. That the Secretary of the Interior be and he is hereby authorized to

H. R. 1839

IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 1963

Mr. TEAGUE of California introduced the following bill; which was referred
to the Committee on Ways and Means

A BILL

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That paragraph 1607 (b) of the Tariff Act of 1930 (19
4 U.S.C. 1201, par. 1607 (b)) is amended to read as follows:

5 “(b) Wild animals and wild birds imported specially for
6 exhibition, whether intended to be used by the importer or
7 for sale for such purpose.”

8 SEC. 2. The amendment made by the first section of this
9 Act shall take effect on the tenth day following the date of
10 the enactment of this Act.

88TH CONGRESS
1ST SESSION

H. R. 1839

A BILL

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

By Mr. TEAGUE of California

JANUARY 14, 1963

Referred to the Committee on Ways and Means

A BILL

to amend the act in relation to the
the several States of the Union
in the year 1839

Approved by the Senate
and the House of Representatives
on the 1st day of March 1839

Attest
I have signed the same
in presence of the following officers

7

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued January 31, 1963
For actions of January 30, 1963
88th-1st, No. 15

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		Wildlife.....1

HIGHLIGHTS: Sen. Keating introduced and discussed bill to establish Office of Federal Administrative Practice and corps of hearing commissioners. Sen. Javits introduced and discussed bill to provide closer economic ties with Great Britain and the Commonwealth.

HOUSE

1. IMPORTS. The Ways and Means Committee voted to report (but did not actually report) H. R. 370, to amend the Tariff Act of 1930 with respect to the duty treatment of certain bread; H. R. 1839, to provide for free importation of wild animals and wild birds which are intended for exhibition in the U.S.; H. R. 2053, to provide for the temporary suspension of the duty on corkboard insulation and on cork stoppers; and, with amendment, H. R. 2513, to require certain new packages of imported articles to be marked to indicate the country of their origin. p. D34
2. PAYROLLING; PERSONNEL. The Ways and Means Committee voted to report (but did not actually report) H. R. 2875, relating to withholding for the purposes of income tax imposed by certain cities, on the compensation of Federal employees. p. D34
3. COMMITTEES. The Rules Committee voted to report (but did not actually report) H. Res. 55, authorizing certain investigations by the Committee on Foreign Affairs, and H. Res. 79, to authorize the committee on Interior and Insular Affairs to make investigations into any matter within its jurisdiction. p. D34

SENATE

4. PUBLIC DEBT. Received from Treasury a proposed bill "to provide for a temporary increase in the public debt limit"; to Finance Committee. p. 1313
5. INFORMATION. Sen. Yarborough inserted and commended several items commending the presentation by the Secretary of a special centennial award to Pare Lorentz for the production of award-winning films depicting American agriculture. pp. 1330-3
6. IMPORTS. Sen. Curtis urged that import duties be increased on brooms made of broom corn and inserted a statement that "Scores of broom factories have been and are continuing to be forced out of business because of inability to compete with low-priced imports." pp. 1323-4
7. LANDS. Received from Interior a proposed bill "to compensate range users for authorized range improvements where land is taken to be devoted to Federal nonmilitary use"; to Interior and Insular Affairs Committee. pp. 1313-4
8. ATOMIC ENERGY. Received the annual report of the Atomic Energy Commission. p. 1314

ITEMS IN APPENDIX

9. LANDS. Extension of remarks of Sen. Cannon inserting an address by the Governor of Nevada, "Governing a Federally Owned State." pp. A393-4
10. BUDGET. Extension of remarks of Rep. Curtis criticizing the President's budget message and inserting a critical article. pp. A403-4

BILLS INTRODUCED

11. HEARING EXAMINERS. S. 593, by Sen. Keating, to establish an Office of Federal Administrative Practice and to provide for the appointment and administration of a corps of hearing commissioners; to Judiciary Committee. Remarks of author, pp. 1315-7
12. LANDS. S. 601, by Sen. Moss, to authorize and direct that the national land reserve and certain other lands exclusively administered by the Secretary of the Interior be managed under principles of multiple use and to produce a sustained yield of products and services; to Interior and Insular Affairs Committee. Remarks of author, pp. 1318-9
13. TRADE AGREEMENT. S. 602, by Sen. Javits, to authorize the President, in carrying out trade agreements with fully developed countries or areas, to reduce duties below the limitation set forth in section 201(b)(1) of the Trade Expansion Act of 1962; to Finance Committee. Remarks of author, pp. 1343-4

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COMMITTEE HEARINGS JAN. 31.

Cotton legislation, H. Agriculture (Murphy to testify; also Commerce and Farm Bureau).

President's economic report, Jt. Economic Committee (Secretary Dillon to testify).

16. FOREIGN TRADE. Rep. Flood appraised the Caribbean situation, saying, "Among the most encouraging developments there have been recent steps toward the long-held dream of a union of Central American Republics," and inserted an article, "Central American Common Market." pp. 1577-8
17. COMMUNICATIONS. Both Houses received from the President a report on the national program for the establishment of a commercial communications satellite system (H. Doc. 56). pp. 1537, 1585
18. CIVIL DEFENSE. Both Houses received from the Defense Department a proposed bill "to further amend the Federal Civil Defense Act of 1950, as amended, to provide for shelter in Federal structures, to authorize payment toward the construction or modification of approved public shelter space"; to Armed Services Committees. pp. 1580, 1586
19. INTERGOVERNMENTAL RELATIONS. Both Houses received the annual report of the Advisory Commission on Intergovernmental Relations. pp. 1580, 1587
20. ORGANIZATION. Received from the Budget Bureau a proposed bill "to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1965"; to Government Operations Committee. p. 1580
21. POSTAL SERVICE. Received from the Postmaster General a report on the estimated amount of the losses or costs incurred by the Postal Establishment in the current fiscal year in the performance of public services. p. 1580
22. IMPORTS. The Ways and Means Committee reported without amendment H. R. 370, to ~~amend the Tariff Act of 1930 with respect to the duty treatment of certain bread (H. Rept. 22), and H. R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the U. S. (H. Rept. 25), and with amendment H. R. 2053, to provide for the temporary suspension of the duty on corkboard insulation and cork stoppers (H. Rept. 26).~~ p. 1581
23. PAYROLLING; PERSONNEL. The Ways and Means Committee reported with amendment H. R. 2875, relating to withholding, for purposes of the income tax imposed by certain cities, on the compensation of Federal employees (H. Rept. 30). p. 1581
- ITEMS IN APPENDIX
24. FARM PROGRAM. Rep. Hoeven inserted a statement by the Republican members of the House Agriculture Committee commenting on the various proposals in the President's farm message and stating that "We applaud the President's repudiation of marketing quotas on producers of livestock, feed grains, dairy products and all our other farm commodities." pp. A478-9
- Rep. Teague inserted a paper by Dr. Tyrus A. Timm, head of the Department of Agricultural Economics of the A. & M. College of Texas, on the results of his study of the forces that determine foreign agricultural policy in this country. pp. A518-6
- Rep. Alger inserted his recent newsletter to constituents commenting on various matters, including criticisms of the President's farm message. pp. A488-9
25. FOOD PRICES. Extension of remarks of Rep. McIntire inserting an editorial, "Food Cheaper Today Than Ever Before," and stating that the editorial "points up the fact that food is still the consumer's best buy." pp. A486-7
26. WATER RESOURCES. Rep. Aspinall inserted an address by Ramsey Clark, Assistant Attorney General in charge of the Lands Division, on the importance of con-

serving our water resources and urging Federal-State cooperation in resolving water rights problems. pp. A479-81

27. ELECTRIFICATION. Rep. Michel inserted an article criticizing REA loans and interest rates and stating that REA "should pay the Government an interest rate no less than the Government is obliged to pay." pp. A481-2
Rep. Saylor inserted an address by the president of the Idaho Power Company opposing the extension of the Booneville Power marketing area to southern Idaho. pp. A508-11
28. IRRIGATION. Rep. Hall inserted an item on increased agricultural production in the Missouri Ozarks resulting from irrigation projects in the area. p. A492
29. ASSISTANT SECRETARY. Extension of remarks of Rep. Hagan, Ga., inserting an article, "John Duncan: Georgia's Big Man in Agriculture." pp. A467-8
30. AUTOMATION. Extension of remarks of Rep. Patman inserting an article on the impact of automation, "Layoff Fear Hits White Collar Men." pp. A471-2
31. BUDGET. Extension of remarks of various Congressmen making insertions regarding the budget. pp. A477, A478, A487-8, A494-6, A500-1, A506
32. RESEARCH. Extension of remarks of Rep. Harris inserting a speech by Secretary of Commerce Hodges on growth through technology. pp. A503-4
33. TRANSPORTATION. Extension of remarks of Rep. Younger inserting an article, "The Roll and Rock of Containerization in Transport Economics" (pp. A506-8), and an address by the chairman of the Eastern Railroad Presidents Conference, "The Crisis in U. S. Transportation" (pp. A519-20).
34. FOREIGN TRADE. Extension of remarks of Rep. Flynt inserting an address by the president of the International Paper Co., "America in a Challenging World." pp. A511-3

BILLS INTRODUCED

35. PERSONNEL. H. R. 3291, by Rep. Dulski, to modify the decrease in group life insurance at age 65 or after retirement; to Post Office and Civil Service Committee. Remarks of author, pp. 1544-5
H. R. 3293, by Rep. Dulski, to amend the Civil Service Retirement Act to extend to employees retired on account of disability prior to October 1, 1956, the minimum annuity base established for those retired after that date; to Post Office and Civil Service Committee. Remarks of author, pp. 1544-5
H. R. 3294, by Rep. Dulski, to extend benefits under the Retired Federal Employees Health Benefits Act to the survivors of retiree annuitants who died before April 1, 1948, and to employees who retired from the Tennessee Valley Authority and Farm Credit Administration, prior to July 1, 1961; to Post Office and Civil Service Committee. Remarks of author, pp. 1544-5
H. R. 3295, by Rep. Dulski, to amend the Civil Service Retirement Act to equalize additional annuities in return for contributions of annuitants during service in excess of the amount necessary to provide the maximum annuity under such act at the time of their retirement; to Post Office and Civil Service Committee. Remarks of author, pp. 1544-5
H. R. 3296, by Rep. Dulski, to amend the Civil Service Retirement Act, as amended, to provide annuities for surviving spouses without deduction from original annuities; to Post Office and Civil Service Committee. Remarks of author, pp. 1544-5

88TH CONGRESS
1ST SESSION

H. R. 1839

[Report No. 25]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 1963

Mr. TEAGUE of California introduced the following bill; which was referred to the Committee on Ways and Means

FEBRUARY 4, 1963

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That paragraph 1607 (b) of the Tariff Act of 1930 (19
4 U.S.C. 1201, par. 1607 (b)) is amended to read as follows:

5 “(b) Wild animals and wild birds imported specially for
6 exhibition, whether intended to be used by the importer or
7 for sale for such purpose.”

8 SEC. 2. The amendment made by the first section of this
9 Act shall take effect on the tenth day following the date of
10 the enactment of this Act.

sist principally of plumage birds, such as ostriches, parrots, flamingoes, etc.

In the light of the noncompetitive character of the imports in question, the Committee on Ways and Means feels that all animal and bird exhibitors should be able to purchase directly or from dealers those live specimens which they believe enhance the quality of their exhibitions without having to pay import duties directly or indirectly on such specimens. The bill would also serve to eliminate certain customs procedures which surround dutiable importations and thereby permit rapid customs clearance of specimens which could be damaged by delayed customs clearance.

H.R. 1839 is identical to a bill reported by your committee and unanimously passed by the House of Representatives in the 87th Congress, H.R. 7678.

Your committee is unanimous in recommending passage of H.R. 1839.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

PARAGRAPH 1607(b) OF THE TARIFF ACT OF 1930

(19 U.S.C. 1201 par. 1607(b))

TITLE II—FREE LIST

SECTION 201. That on and after the day following the passage of this Act, except as otherwise specially provided for in this Act, the articles mentioned in the following paragraphs, when imported into the United States or into any of its possessions (except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam), shall be exempt from duty:

* * * * *

Par. 1607. (a) * * *

[(b) Wild animals and birds intended for exhibition in zoological collections for scientific or educational purposes, and not for sale or profit.]

(b) *Wild animals and wild birds imported specially for exhibition, whether intended to be used by the importer or for sale for such purpose.*

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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Issued February 27, 1963
For actions of February 26, 1963
88th-1st, No. 29

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		Youth.....15,26

HIGHLIGHTS: House committee reported CCC supplemental appropriation measure. Rep. Latta urged farmers to vote to reject wheat certificate program. Rep. Dole introduced and discussed bill to require holding of wheat referendum prior to May 15, 1963.

HOUSE

1. SUPPLEMENTAL APPROPRIATIONS. The Appropriations Committee reported H. J. Res. 284 (H. Rept. 35), which includes \$508,172,000 for reimbursement to the Commodity Credit Corporation for Title I, Public Law 480 activities for fiscal year 1963, for sale of surplus agricultural commodities for foreign currencies. p. 2878
2. FOREIGN TRADE. Passed as reported H. R. 2053, to provide for 3-year suspension of the duty on importation of corkboard insulation and cork stoppers. p. 2843
Passed as reported H. R. 2513, to amend the Tariff Act of 1930 to require certain new packages of imported articles to be marked to indicate the country of origin. pp. 2840-2
Passed without amendment H. R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the U. S. pp. 2842-3

tended for exhibition in the U.S. pp. 2842-3

Rep. Mills stated that H. R. 370 would not be called up today because of the objection of Rep. Reuss. pp. 2843-4

Rep. Harvey, Ind., praised the inclusion of the amendment to the Trade Expansion Act of 1962 which "required all Communist countries, including Yugoslavia and Poland, to have their products dutiable at the full duty rate." pp. 2865-6

3. WHEAT. Rep. Latta criticized the forthcoming wheat certificate referendum especially its relation to the small wheat farmer. pp. 2868-70
4. BUDGET. Rep. Gonzalez inserted the President's recent statement before the American Bankers Association which included comments on appropriations, the public debt, taxes, etc. pp. 2872-5
5. GRAIN. Rep. Latta inserted an article, "USDA Acts to Break Grain Price in 12 States," criticizing the grain pricing policy of CCC and recommending stronger action. pp. 2870-1
6. SCIENCE. Rep. Weaver spoke about the achievements at the U.N. Conference on Science and Technology for the Benefit of the Less Developed Areas and inserted his speech presented at the conference. pp. 2863-5
7. BUILDINGS. Rep. Jones, Mo., criticized the extent of GSA plans to construct Federal buildings in small communities. p. 2837

ITEMS IN APPENDIX

8. ASC COMMITTEES. Extension of remarks of Rep. McIntire asking "what should be the makeup and purpose" of the ASC committees at the State and county levels and inserting an article, "'Don't Pack ASC,' Farmers Say 3 To 1." pp. A957-8
9. REA. Extension of remarks of Rep. Henderson inserting REA Administrator Clapp's address before the Tarheel Electric Membership Ass'n. pp. A959-61
10. PERSONNEL. Extension of remarks of Rep. Wilson inserting an article criticizing an alleged patronage clearance system in the Government's summer employment of students. pp. A961-2
11. POULTRY. Extension of remarks of Rep. Stephens inserting a Ga. Poultry Federation resolution commending the appointment of Rep. Hagan as chairman of the House Agriculture Subcommittee on Poultry. p. A963
12. COTTON. Extension of remarks of Rep. Stephens inserting Rep. Dorn's address on farm problems with particular reference to cotton farms in the South. p. A966
13. INFORMATION. Extension of remarks of Reps. Wilson, Calif., and Derwinski inserting articles, "Mr. Kennedy's Management of the News," and "Insult to the People and the Press," criticizing "deliberate obstruction" of information. pp. A967-9, A981-2
14. MINING. Extension of remarks of Rep. Chenoweth inserting the declaration of policy and resolutions adopted by the National Western Mining Conference. pp. A969-70
15. YOUTH. Rep. Hall (Mo.) inserted an editorial criticizing the President's proposed youth employment programs as a confession of "failure of individual opportunity under free enterprise." p. A972

container for other goods offered for sale, or repackaged, and offered for sale in the new package, such article, container, or new package shall be marked in such manner as to indicate to the ultimate purchaser in the United States the English name of the country of origin of such article. This subsection shall not apply in cases where the Secretary of the Treasury finds that compliance with the marking requirements of this subsection would necessitate such substantial changes in customary trade practices as to cause undue hardship and that repackaging of the article in question is otherwise than for the purpose of concealing the origin of such article. Subsection (d) of this section shall not apply in respect of the marking requirements of this subsection unless the articles are repackaged before release from customs custody."

(d) Subsection (f) (as relettered by subsection (c) of this section) of such section 304 is amended by adding at the end thereof the following new sentences: "Any person who violates subsection (e) shall, upon conviction, be fined not more than \$5,000 or imprisoned not more than one year, or both. Any article offered for sale [by the person repackaging such article] in violation of subsection (e) shall be subject to seizure and forfeitures under this subsection shall be that the duties with respect to seizures and forfeitures under this subsection shall be performed by such officers, agents, or other persons as may be authorized or designated for that purpose by the Secretary of the Treasury."

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after the sixtieth day following the date of the enactment of this Act.

With the following committee amendments:

On page 2, line 10, strike out "subdivision" and insert: "subdivision".

On page 2, line 21, strike out "PACKAGES." and insert: "PACKAGES, ETC.—".

On page 2, beginning in line 25, strike out "persons" and all that follows down through "package" in line 3 on page 3 and insert: "person, and offered for sale for use as (or used as) the container for other goods offered for sale, or repackaged and offered for sale in the new package, such container or new package".

On page 3, line 10, strike out "and that repackaging of the article in question" and insert: "and, when the article is repackaged, that the repackaging".

On page 3, lines 18 and 19, strike out "Any person who violates subsection (e)" and insert: "Any person who, with intent to conceal the country of origin of any article, violates any provision of subsection (e) with respect to such article".

On page 3, lines 21 and 22, strike out "Any article offered for sale [by the person repackaging such article] in violation of subsection (e)" and insert: "Where any container or package which is required to be marked in accordance with subsection (e) is not so marked, such container or package and the contents of such container or package".

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, the bill H.R. 2513, which was introduced by our colleague on the Committee on Ways and Means, the gentleman from Florida, the Honorable A. S. HERLONG, Jr., would amend section 304 of the Tariff Act of 1930, as amended, with respect to the marking requirements in the case of articles which are imported in containers

required to be marked to show country or origin.

It is the purpose of the bill—

First, to provide, when such articles are repackaged in the United States and offered for sale, that the new packages be marked to show the country of origin of their contents;

Second, to require that the containers in which such articles are imported be marked—in addition to the country-of-origin marking—to indicate to any person who repackages such articles that subject to penalties of law the new packages must be marked to indicate to an ultimate purchaser the country of origin of their contents; and

Third, to require, when such articles are sold for use as—or used as—containers for other goods offered for sale, that such containers be marked to indicate to an ultimate purchaser of the goods offered for sale in such containers the country of origin of such containers.

The report of the committee spells out in more detail the specific background which gave rise to this bill, as well as a more detailed description of the manner in which it will apply. The committee was of the opinion that the bill is necessary and that the amendments which would be made by it will strengthen the marking requirements contained in the Tariff Act of 1930, as amended.

This bill is similar to the bill which was reported by the Committee on Ways and Means in the last Congress and which passed the House unanimously, except for certain changes which expand the bill in some degree. The report makes clear these additional amendments. The Committee on Ways and Means is unanimous in recommending enactment of H.R. 2513.

Mr. BYRNES of Wisconsin. Mr. Speaker, the bill H.R. 2513 would amend the customs provision of the Tariff Act of 1930 so as to protect the American public by requiring more adequate marking of repackaged imported articles.

Information has been presented to the Committee on Ways and Means that articles imported into the United States and repackaged often are not designated as imported on the new package. The repackaging process results in the deletion of the designation of the country of origin. The failure to include the country of origin on a package often results in the conclusion that the contents therein are of American origin. The failure to reveal the source of an article results in the failure of a potential American purchaser to be fully informed prior to the time he makes a purchase.

H.R. 2513 would make three substantive changes in existing law to correct this problem. First, it would be required that articles removed from a container be marked to show the country of origin on the repackaging. Second, containers for articles for export to the United States must be marked to indicate that in the event of repackaging, such repackaging must contain the designation of the country of origin. Third, when such articles are themselves used as containers, they must be marked

so as to indicate the country of origin. Moreover, there is a penalty provision for failure to comply with these marking requirements with intent to conceal the country of origin.

It was the view of the committee in unanimously approving this legislation that the provisions of H.R. 2513 would further serve to protect the consumer by informing him as to the origin of articles he may purchase. This bill would aid in the fulfillment of the basic purpose of existing marking requirements as presently contained in the law, and I therefore urge its favorable consideration.

(Mr. HERLONG (at the request of Mr. MILLS) was granted permission to extend his remarks at this point in the RECORD.)

Mr. HERLONG. Mr. Speaker, our distinguished chairman of the committee has described the overall purposes of H.R. 2513. I would simply like to add a few words concerning this legislation.

The Committee on Ways and Means has been advised that practices have developed under existing law under which articles, imported in containers marked to show the country of origin, are removed from the containers and then either first, repackaged and sold without noting on the new packages the country of origin of the contents or the fact that the same are of foreign origin, or second, sold for use or used as containers for other goods offered for sale without marking such containers to show their country of origin. Understandably, these practices have created confusion in the minds of certain purchasers as to the origin of the articles inside the new packages or as to the origin of the containers. In some cases, the absence of any indication of foreign origin has caused purchasers to assume that the package or container and the contents were of American origin. Thus, one of the purposes of our marking laws—namely, to give the purchaser information as to country of origin—is thwarted in these cases.

Subsection (b) of section 304, as amended by the bill, would continue without change the existing requirement that the immediate container—if any—or such other container or containers as may be prescribed by the Secretary of the Treasury, of any article excepted from the marking requirements by subdivision (3) of section 304(a), be marked in such a manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of such article. The bill would add a requirement that any such container or containers shall also be marked in such manner as to indicate to any person who repackages such article that, subject to penalties of law, the new package must be marked to indicate to an ultimate purchaser the English name of the country of origin of its contents. The marking requirements of subsection (b), as amended by the bill, are subject to all the provisions of section 304, including the same exceptions as are applicable to articles under section 304(a)(3). With respect to the requirement that the

containers of certain imported articles must be marked to indicate to any person who repackages such articles that the new package must be marked to show the English name of the country of origin of its contents, the bill authorizes the Secretary of the Treasury to except any article from this requirement if such article is not usually repackaged before delivery to an ultimate purchaser.

A new subsection (c) would be added by the bill to section 304 of the Tariff Act. The new subsection applies with respect to imported articles the containers of which are required to be marked to show the country of origin of such articles. When such an article is removed from such a container and either first, is offered for sale for use as—or used as—the container for other goods offered for sale, or second, is repackaged and offered for sale in the new package, new subsection (e) requires the container—the imported article—or the new package to be marked in such manner as to indicate to the ultimate purchaser in the United States the English name of the country of origin of the imported article. The new subsection would not apply in cases where the Secretary of the Treasury finds first, that compliance with the marking requirements of the subsection would necessitate such substantial changes in customary trade practices as to cause undue hardship, and second, when the article is repackaged, that the repackaging is otherwise than for the purpose of concealing the origin of the article.

Mr. Speaker, the bill contains other provisions which include certain safeguards with respect to the operation of the basic provisions of the bill.

Without any intention to be all inclusive, the following are examples of the types of situations which would be covered by the basic provisions of the bill: repackaging of wood screws that are brought into the United States in bulk containers; repackaging of tomatoes which are brought into the United States in bulk containers; the importation of glass containers in bulk where such containers are sold for use as, or used as, containers for other goods offered for sale, such as Coca-Cola bottles.

Mr. Speaker, this is not a new subject, as has been indicated by the statement of our distinguished chairman, since a similar bill passed the House of Representatives by unanimous consent last year, and a bill on this subject also passed the House of Representatives in the 86th Congress. I believe this legislation will serve a good purpose.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE IMPORTATION OF WILD BIRDS AND WILD ANIMALS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals

and wild birds which are intended for exhibition in the United States.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman whether this provides for the importation of any wild bovine or wild hog meat since the bill deals with wild animals.

I ask this question because in 1962 there was imported into this country a record of 1,700 million pounds of dressed meat. I am told that this displaced the consumption of some 500 million bushels of corn necessary to feed out the beef, mutton, lamb, ham, pork, and other meat products representing these imports. Do I understand that this does not permit further importation of edible meats?

Mr. MILLS. It does not. This applies only to the importation of wild animals and wild birds such as are imported specifically for exhibit, or for sale for exhibit, in zoos and places of that sort. It could not be used for the purpose the gentleman mentions.

Mr. GROSS. Would the gentleman think it is a highly contradictory position for the House to pass a trade expansion act which permits this heavy inflow of dressed and edible meats and at the same time subsidize the farmers who produce corn, and then these farmers not be able to feed half a billion bushels of surplus corn to meat animals in this country? Would the gentleman think there was something highly contradictory about this kind of situation?

Mr. MILLS. The gentleman from Iowa is well aware of the statements made in connection with the presentation of the Trade Expansion Act, and he is well aware that there is nothing in the legislation itself that causes tariffs to be reduced.

We were giving the President the authority in connection with other countries of the free world to enter into trade agreements if they were willing and it was possible to accomplish that purpose of mutual lowering of duties. We were not saying to him that he reduce the duty with respect to any meat products, and the gentleman knows the procedure that is available under that act for hearing and discussion on any article that may be selected for purposes of the lower duty consideration.

I would like to point out to the gentleman if he would yield further—

Mr. GROSS. I am glad to yield.

Mr. MILLS. That he is aware, I am sure, of the fact that the duty on Polish ham, for instance, has never been the subject matter of a trade agreement during all the history of the trade agreements program—I repeat, during all the history of the trade agreements program—so that the hams that may come in in competition with those fine hams that are produced here in the United States come in under the rate of duty that has been in effect since 1930.

Mr. GROSS. The able chairman of the Committee on Ways and Means, the committee which handles the legislation dealing with tariffs, could be of

immeasurable help to the gentleman from Iowa if he would give him some help toward imposing tariffs that would shut off at least a substantial part of these meat imports from foreign countries so that we would not be confronted with the situation of paying subsidies to the farmers who are unable to feed 500 million bushels of corn because the equivalent in meat products have been supplied by foreign farmers.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1607(b) of the Tariff Act of 1930 (19 U.S.C. 1201, par. 1607(b)) is amended to read as follows:

"(b) Wild animals and wild birds imported specially for exhibition, whether intended to be used by the importer or for sale for such purpose."

SEC. 2. The amendment made by the first section of this Act shall take effect on the tenth day following the date of the enactment of this Act.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 1839, which was introduced by our colleague the Honorable CHARLES M. TEAGUE, of California, is to amend paragraph 1607(b) of the Tariff Act of 1930, as amended, to permit the free importation of wild birds and wild animals imported specially for exhibition, whether intended to be used by the importer or for sale for such purpose.

At the present time, paragraph 1607 (b) of the Tariff Act of 1930 permits the free importation of wild animals and birds intended for exhibition in zoological collections for educational or scientific purposes, and not for sale or profit. The pending bill would extend this duty-free treatment to wild animals and wild birds imported by any importer for exhibition for any purpose and also such animals and birds imported by a person or firm who in turn would sell the animals or birds for ultimate use in exhibitions for any purpose.

Wild animals which would most likely be imported under the provisions of paragraph 1607(b), as amended by this bill, would include monkeys, elephants, leopards, lions, and snakes. Wild birds which most likely would be imported would consist principally of plumage birds, such as ostriches, parrots, flamingoes, and so forth.

In the light of the noncompetitive character of the imports in question, the Committee on Ways and Means is of the opinion that all animal and bird exhibitors should be able to purchase directly or from dealers those live specimens which they believe enhance the quality of their exhibitions without having to pay import duties directly or indirectly on such specimens. The bill would also serve to eliminate certain customs procedures which surround dutiable importations, and thereby would permit rapid customs clearance of specimens which could be damaged by delayed customs clearance.

H.R. 1839 is identical to a bill reported by your committee and unanimously passed by the House of Representatives in the 87th Congress—H.R. 7678—and the Committee on Ways and Means is unanimous in again recommending enactment of this legislation.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 1839 would amend the Tariff Act of 1930, as amended, so as to permit the free importation of wild birds and wild animals imported for exhibition whether intended to be used by the importer or to be sold by him for exhibition purposes.

Present law now authorizes the free importation of wild animals and birds that are to be exhibited in zoological collections for educational or scientific purposes provided they are not intended for sale or profit. The bill would extend the duty-free treatment to such animals and birds imported by an importer for exhibition for any purpose as well as animals and birds imported by an individual who in turn would sell the animals and birds for exhibition purposes.

The animals and birds to be imported under this legislation would essentially be of a noncompetitive character with anything available domestically. In addition, the bill would eliminate certain custom procedures which make the importation of such animals and birds a difficult practice.

This legislation, which was cosponsored by our distinguished colleagues, the gentlemen from California [Mr. UTT and Mr. TEAGUE], in the 87th Congress, was unanimously passed by this body in that Congress. The present bill is identical to that legislation, and I, therefore, urge its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY SUSPENSION OF DUTIES ON CORKBOARD INSULATION AND ON CORK STOPPERS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2053) to provide for the temporary suspension of the duty on corkboard insulation and on cork stoppers, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the chairman of the Committee on Ways and Means whether it is necessary to import cork for stoppers in flasks and other such devices? The report does not say whether these are water or liquor glasses. Cannot stoppers for flasks be made in this country?

Mr. MILLS. Mr. Speaker, the domestic industry is the one asking for this particular legislation, because the cork insulation and cork stoppers dealt with in this bill are no longer produced in the United States. This is a request from the industry itself.

Mr. GROSS. I do not doubt that, and I am sure the gentleman is aware of the rash of bills introduced in this session of Congress that are going to his committee, many of them in the nature of special privilege, to protect certain industries in this country against the inroads of foreign imports due to low tariffs. So that I am not surprised that an industry would want treatment of this kind.

Mr. MILLS. This is the industry that produces these articles here in the United States. The gentleman knows that cork itself is not produced in the United States but is imported from abroad.

Mr. GROSS. I thank the gentleman. The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to articles entered, or withdrawn from warehouse, for consumption, during the three-year period beginning on the day after the date of the enactment of this Act, and with respect to articles covered by entries the liquidation of which has not become final on the date of enactment by virtue of the provisions of section 514 of the Tariff Act of 1930, no duty shall be imposed upon articles described in paragraph 1511 of the Tariff Act of 1930 as—

(1) "cork insulation, wholly or in chief value of cork, cork waste, or granulated or ground cork, in blocks, slabs, boards, or planks";

(2) "stoppers, over three-fourths of one inch in diameter, measured at the larger end, wholly or in chief value of natural cork bark"; or

(3) "stoppers, three-fourths of one inch or less in diameter, measured at the larger end, wholly or in chief value of natural cork bark".

With the following committee amendment: Page 2, line 5, after the semicolon, insert "or".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 2053, which was introduced by our colleague on the Committee on Ways and Means, the Honorable HERMAN SCHNEEBELI, of Pennsylvania, is to suspend for a 3-year period the duties imposed under paragraph 1511 of the Tariff Act of 1930 on cork insulation and certain cork stoppers.

The Committee on Ways and Means has been informed that cork insulation and cork stoppers dealt with in the pending bill are no longer produced in the United States. In fact, the former domestic producers of these products support this legislative proposal to temporarily suspend the duties on these products.

Cork insulation is a material particularly suitable for low-temperature applications, such as cold storage rooms, refrigerator cars and trucks, refrigerated warehouses, ice cream hardening rooms, fur storage vaults, and so forth. After cutting and fitting, cork insulation is also used for pipe coverings in U.S. Navy vessels, for ammunition plugs for guns on

naval cruisers, and other slow-fire ammunition used by the Navy.

Cork stoppers are cylinders of cork which are used for closing the apertures of bottles, jars, flasks, and similar containers.

The pending bill will be effective with respect to articles entered or withdrawn from warehouse, for consumption, during the 3-year period beginning on the date after the date of enactment, and also with respect to articles covered by entries the liquidation of which has not become final on the date of enactment by virtue of the provisions of section 514 of the Tariff Act of 1930.

The bill is similar to a bill—H.R. 12213—which was reported by the Committee on Ways and Means and unanimously passed by the House of Representatives in the 87th Congress, on which favorable reports were received by the committee from the Departments of State, Treasury, Commerce, and Labor. The Committee on Ways and Means is unanimous in recommending enactment of this bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, the bill H.R. 2053 would temporarily suspend for a 3-year period the duties imposed on cork insulation and certain cork stoppers under the Tariff Act of 1930. Cork insulation and stoppers have a variety of domestic uses, including use by our Navy with respect to naval guns and ammunition. It is my understanding that similar materials are no longer produced in the United States and that former domestic producers are supporting this legislation. This bill was unanimously passed by this body in the last Congress and I strongly urge that we again act favorably upon it.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DUTY TREATMENT OF CERTAIN BREAD AND TARIFF TREATMENT OF CERTAIN ELECTRON MICROSCOPES

Mr. MILLS. Mr. Speaker, it has been our purpose to call up two additional bills, H.R. 370 and H.R. 2874, both of which passed the House by unanimous consent in the last session; but because the chairman has been notified by the gentleman from Wisconsin [Mr. REUSS] that he would object to H.R. 370 being called up today, that bill will not be called up, and because the gentleman from Connecticut [Mr. SIBAL] has advised the chairman he would object to H.R. 2874 if it is called up, that bill likewise will not be called up by unanimous consent at this time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Why should not those bills be called up today?

Mr. MILLS. Because the present chairman of the Committee on Ways and Means, as the gentleman from Iowa

knows, has on numerous occasions in the past, where any Member of the House notified him ahead of time he would have to object to one of these bills being called up, has refrained from calling the bills up for unanimous-consent passage and has made the statement that the chairman has made today.

Mr. GROSS. Well, is this because the sponsor or the author of the bill is not present?

Mr. MILLS. That has nothing to do with it.

Mr. GROSS. Then, what is the reason?

Mr. MILLS. I do this to be considerate of Members. It is not necessary for the individual Member even to be present, in cases where he has notified me that he finds the bill objectionable at this point. It is merely for the purpose of trying to be considerate of the Members of the House.

Mr. GROSS. Is there something going on today that obstructs the business of the House?

Mr. MILLS. No. If the gentleman from Iowa would suggest to me in any way, in connection with any bill that was voted out of the committee by unanimous consent, that he had some question about it, some reservation, and that if I called it up today, for unanimous-consent passage, he would have to object to it today, then I would agree with the gentleman that I would not call it up. It would not even be necessary for the gentleman to make his objection to the bill under those circumstances.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, if he is offering me this privilege and opportunity, let me say to him that I will object every day to bringing up bills providing for an increase in the debt ceiling or a continuation of the Trade Expansion Act.

Mr. MILLS. I may assure the gentleman that I will not undertake to do that by unanimous consent.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I will say to the chairman of the committee and the gentleman from Iowa that what the chairman of the committee in this instance is doing is perfectly proper. This is a Consent Calendar operation. How silly it would be to call up bills that he knows would be objected to.

Mr. GROSS. Why not? Let us dispose of them.

The SPEAKER. The time of the gentleman from Arkansas has expired.

REPORT ON MISSISSIPPI

(Mr. DIGGS asked and was given permission to extend his remarks at this point in the Record and to include the text of a report.)

Mr. DIGGS. Mr. Speaker, a Mississippi Advisory Committee has just submitted to the U.S. Commission on Civil Rights "Report on Mississippi," dated January 1963. This is a summary of documented cases and findings concerning legal developments in the State of

Mississippi constituting a denial to Negro citizens of equal protection of the laws under the Constitution.

Mr. Speaker, I want to call this report to the attention of the U.S. Congress. I hope that through the reprinting of this full summary report in the CONGRESSIONAL RECORD, it will come to the attention of citizens of this country everywhere. It remains fearfully true that good men of good nations lose themselves their freedom, their liberties, opportunities, dignity, and all they hold sacred as they stand silent in the face of great evils suppressing and violating the rights of some.

In its preface to this report, the Advisory Committee has this to say:

All of us are Mississippians and some of us have lived all our lives in Mississippi. Yet the extent and the manner of apparent denials of equal protection of the law on the basis of color, as revealed in these meetings, has been a profound shock to us. We are alarmed at the direction our society seems to be taking, and we believe that the overwhelming majority of Mississippians will share this alarm as the facts become known to them.

Mr. Speaker, I believe that the overwhelming majority of all the membership of the U.S. Congress and the overwhelming majority of all the citizens of this Nation will share this alarm as the facts become known to them and they will respond to a national emergency as perilous to the safety of this Nation as a new Pearl Harbor or Cuban missile buildup.

This is a shocking report of brutalities and terror of Nazi regime type. I have had occasion to read other official Government reports on Mississippi which make the Advisory Committee's summary I wish to place on the Record a pale tale in contrast. Yet no one can read this report without full realization that there exists in the United States of America a full-scale regime of legally sanctioned police terror, violence, and oppression.

Not even those of Mississippi who perpetrate this regime can obscure this report by the usual charge that these are the exaggerated tales of troubling outsiders from the North. The Mississippi Advisory Committee which submitted "Report on Mississippi" is one of the 51 committees established in every State and the District of Columbia by the Civil Rights Commission pursuant to section 105(c) of the Civil Rights Act of 1957. It is composed of Mississippians, people living in that State—"interested citizens of standing who serve without compensation." Those persons making up the nine member Advisory Committee are:

Mrs. Wallis I. Schutt, chairman, Jackson, Miss., vice president, Mississippi Church Women; secretary, Mississippi Council on Human Relations, member, various church organizations and of various women's organizations.

Dr. James Lucius Allen, vice chairman, Columbus, Miss., pharmacist; trustee, Okolona Episcopal College; vice president, Security Life Insurance Co.; director, Tri-State Bank of Memphis, Tenn.

Dr. A. D. Beittel, secretary, Tougaloo, Miss., educator and president of Tougaloo

Southern Christian College; chairman, Mississippi Council on Human Relations; national secretary, united Negro college fund, former president, Talladega College, 1945-52; and former chairman, the Alabama division, Southern Regional Council, 1945-52.

Adm. Robert P. Briscoe, Liberty, Miss., retired naval officer; former NATO Commander of Southeastern Europe.

Dr. Albert B. Britton, Jackson, Miss., physician; member, board of directors of the YMCA; secretary, the legislative assembly of Mississippi's Medical and Surgical Association.

Very Rev. Robert C. Hunter, Bay St. Louis, Miss.; Catholic clergyman; provincial superior of the Society of the Divine World, directing southern province—Arkansas, Louisiana, Mississippi, and Texas; director of southern province, 1958-62; director of eastern province, 1946-55; high school principal, 1955-59; teacher and prefect of studies, 1933-38.

Rev. Thomas E. Johnson, Jackson, Miss., missionary with the American Sunday School Union, working with Negro people in the State of Mississippi; member, Mississippi Psychological Association.

Rev. Charlemagne P. Payne, Sr., Jackson, Miss., Methodist minister; member, Mississippi Conference, 1943-61; chairman, Conference Board of Missions of Board of Ministerial Training; delegate and member, executive committee of the Human Relations Conference, 1959.

Dr. George E. Powers, Pass Christian, Miss., dentist; secretary-treasurer of the Gulfport, Miss., Dental Society, 1957-59.

Of the nine members of the Mississippi Advisory Committee, one is a Negro citizen.

Mr. Speaker, I present what this committee reports:

REPORT ON MISSISSIPPI

PREFACE

This report was submitted to the U.S. Commission on Civil Rights by the Mississippi Advisory Committee. The Mississippi committee is 1 of the 51 committees established in every State and the District of Columbia by the Commission pursuant to section 105(c) of the Civil Rights Act of 1957. Its membership consists of interested citizens of standing who serve without compensation. Among the functions and responsibilities of the State Advisory Committee, under their mandate from the Commission on Civil Rights, are the following: (1) To advise the Commission of all information concerning legal developments constituting a denial of equal protection of the laws under the Constitution; and (2) to advise the Commission upon matters of mutual concern in the preparation of its final report. The Commission, in turn, has been charged by the Congress to investigate allegations, made in writing and under oath, that citizens are being deprived of the right to vote by reason of color, race, religion, or national origin; to study and collect information regarding legal developments constituting a denial of equal protection of the laws; to appraise Federal laws and policies with respect to equal protection; and to report to the President and to the Congress its activities, findings, and recommendations.

REPORT OF THE MISSISSIPPI ADVISORY COMMITTEE TO THE U.S. COMMISSION ON CIVIL RIGHTS

This is a summary report of the activities of the Mississippi Advisory Committee to the

H. R. 1839

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 1963

Read twice and referred to the Committee on Finance

AN ACT

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That paragraph 1607 (b) of the Tariff Act of 1930 (19
4 U.S.C. 1201, par. 1607 (b)) is amended to read as follows:

5 “(b) Wild animals and wild birds imported specially for
6 exhibition, whether intended to be used by the importer or
7 for sale for such purpose.”

8 SEC. 2. The amendment made by the first section of this
9 Act shall take effect on the tenth day following the date of
10 the enactment of this Act.

Passed the House of Representatives February 26, 1963.

Attest:

RALPH R. ROBERTS,

Clerk.

88TH CONGRESS
1ST SESSION

H. R. 1839

AN ACT

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

FEBRUARY 28, 1963

Read twice and referred to the Committee on Finance

S. 2525

IN THE SENATE OF THE UNITED STATES

FEBRUARY 20 (legislative day, FEBRUARY 10), 1964

Mr. MANSFIELD (for himself, Mr. METCALF, Mr. BIBLE, Mr. BURDICK, Mr. CANNON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. LONG of Missouri, Mr. MCGOVERN, Mr. MECHEM, Mr. MILLER, Mr. SIMPSON, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To restrict imports of beef, veal, and mutton into the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the total quantities of beef, veal, and mutton (in all
4 forms except canned, cured, and cooked meat, and live
5 animals) originating in any country which may be entered,
6 or withdrawn from warehouse, for consumption during any
7 period of twelve months shall not exceed the average annual
8 quantities of such products imported from such country dur-
9 ing the five-year period ending on December 31, 1963:

1 *Provided*, That beginning January 1, 1965, there may be an
 2 annual increase in the total quantities of such products which
 3 may be entered, or withdrawn from warehouse, for such
 4 purpose, corresponding to the annual rate of increase in the
 5 total United States market for such products, as estimated
 6 by the Secretary of Agriculture.

88TH CONGRESS
 2D SESSION

S. 2525

A BILL

To restrict imports of beef, veal, and mutton
 into the United States.

By Mr. MANSFIELD, Mr. METCALF, Mr. BUBLE,
 Mr. BURDICK, Mr. CANNON, Mr. CARLSON,
 Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON,
 Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN,
 Mr. HICKENLOPER, Mr. LONG of Missouri,
 Mr. MCGOVERN, Mr. MECHEN, Mr. MILLER,
 Mr. SIMPSON, Mr. YARBOROUGH, and Mr.
 YOUNG of North Dakota

FEBRUARY 20 (legislative day, FEBRUARY 10), 1964

Read twice and referred to the Committee on Finance

Senate

THURSDAY, FEBRUARY 20, 1964

(Legislative day of Monday, February 10, 1964)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. METCALF].

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of truth, Father of our spirits, all is Thine except the drifting clouds of unrighteousness which in the end cannot hide Thy light which no darkness can put out.

For those who here in perilous times, sent to this body by those who put their trust in them, and who speak for the people's best welfare, we pray for their deliverance from the subtle lures of office and from the arrogance which lurks always in power, and for the unswerving determination to bow to no compulsion, save the sovereignty of their own conscience.

Steady us in all our decisions and in all our ways, with the knowledge that only in Thy will is our peace and our victory.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 19, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, notified the Senate that Mr. BROOKS, of Texas, had been appointed a manager at the conference with the Senate on the disagreeing votes of the two Houses thereon to the bill (H.R. 4638) to promote the orderly transfer of the executive power in connection with the expiration of the term of office

of a President and the inauguration of a new President, vice Mr. HOLIFIELD excused.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7381. An act to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes; and

H.R. 9640. An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5945) to establish a United States-Puerto Rico Commission on the Status of Puerto Rico, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 7381) to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes, was read twice by its title and referred to the Committee on Post Office and Civil Service.

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. MANSFIELD, and by unanimous consent, it was ordered that there be a morning hour, with statements therein limited to 3 minutes.

CORRECTION OF THE RECORD

Mr. DIRKSEN. Mr. President, on Monday, February 17, 1964, the distinguished Senator from Arizona [Mr. GOLDWATER] delivered a speech on Lithuanian independence. An error occurred in the last paragraph of his statement, as shown on page 2813 of the RECORD. It reads:

Lithuania and the rest of the world can again be free, Mr. President, with a simple expression of condolence, but not if this and the other free nations of the world abandon such captive peoples to perpetual enslavement.

It should read:

Lithuania and the rest of the world can again be free, Mr. President, but not if this and the other free nations of the world abandon, with a simple expression of condolence,

such captive peoples to perpetual enslavement.

I ask that the RECORD be corrected accordingly.

The ACTING PRESIDENT pro tempore. The correction will be made, as indicated.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO FILE REPORT UNTIL MIDNIGHT TONIGHT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry may have until midnight tonight to file a report.

The ACTING PRESIDENT pro tempore. Without objection—

Mr. AIKEN. Mr. President, I would be willing to have a little more time allowed, if necessary. So far as I am concerned the committee can have until tomorrow night—although, so far as I am concerned, I shall be ready by 6 o'clock tonight.

As I understand, one or more members of the committee wish to file minority views. Whether they will be ready by tonight, I do not know.

Mr. MANSFIELD. Mr. President, with that proviso, I should like to have my unanimous-consent request acted on; and if any difficulties arise in the meantime, I shall be most happy to withdraw the request.

The ACTING PRESIDENT pro tempore. Without objection, the committee will be allowed until midnight tonight—as requested—to file a report.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the Housing Subcommittee of the Banking and Currency Committee and the Antitrust and Monopoly Subcommittee of the Judiciary Committee were authorized to meet during the session of the Senate today.

SUSPENSION OF EQUAL OPPORTUNITY REQUIREMENTS OF SECTION 315 OF COMMUNICATIONS ACT OF 1934

Mr. PASTORE. Mr. President, there is at the desk a privileged matter—a message from the House, in connection with House Joint Resolution 247 and the Senate amendment to that measure. I ask that it be taken up at this time.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives an-

nouncing its disagreement to the amendment of the Senate to the joint resolution (H.J. Res. 247) to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for legally qualified candidates for the offices of President and Vice President, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PASTORE. Mr. President, I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Acting President pro tempore appointed Mr. PASTORE, Mr. MONRONEY, Mr. THURMOND, Mr. SCOTT, and Mr. PROUTY conferees on the part of the Senate.

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962-63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. McGOVERN], and the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of 12 months shall not exceed the average annual quantities of such products imported from such country during the 5-year period ending on December 31, 1963: Provided, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture.

The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., February 19, 1964.

Mr. BEN DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: We are informed that on February 20, the U.S. Tariff Commission will consider copper for possible inclusion on the President's list of articles for consideration in trade agreement negotiations. Because copper is the leading mineral in the State of Montana's active mining industry, we wish to take this means of opposing any reduction on rates of duty on copper imports. We can find no justification for lowering the present duty on foreign copper; in fact, the original 4-cent tax should be restored, based upon the statistical position of the industry.

The domestic copper mining industry is at present at a disadvantage because of excessive production of high grade ores in Africa and South America. Should the tariff be lowered and the demand for domestic copper fall off, the domestic mines would be in severe economic difficulties. In addition, our foreign suppliers often enjoy cheaper water transportation and certain tax advantages.

We wish to remind the Commission that copper tariffs are not and never have been for the purpose of keeping out or penalizing foreign metal, but principally are to provide a balance of relative costs of those who supply world markets. Under present conditions, the excise of 1.7 cents per pound is too low to provide the necessary protection; therefore, we endorse the industry's request that the tariff be restored to 4 cents per pound. This would then put domestic mines on a competitive basis with foreign mines.

In reviewing the tariff on copper, we ask that prime consideration be given to national security demands. We also urge that no recommendations be made which will be adverse to a healthy domestic copper mining industry operating under a reasonably balanced situation.

Thank you for your consideration, and we ask that this letter be made a part of the printed proceedings of this hearing.

With best personal wishes, we are,
Sincerely yours,

MIKE MANSFIELD.
LEE METCALF.

UNITED STATES-MEXICO NEGOTIATIONS

Mr. MANSFIELD. Mr. President, today President Johnson will fly to California, where he will hold 2 days of meetings in Palm Springs with President Adolfo Lopez Mateos, of Mexico. The Chiefs of State will discuss problems of mutual concern to our two countries, as well as of concern to the hemisphere and the world.

A quick glance at history reveals that all has not always been well between our two countries. However, history also shows that no problem between nations can long defy solution when negotiations are entered into a spirit of friendship and good faith and a genuine desire to succeed. Fortunately, this has been the tenor of United States-Mexican relations over the last three decades, beginning with the good neighbor policy of Franklin D. Roosevelt, and reaching a high point under the administrations of Presidents Kennedy and Johnson.

Recent approval of the Chamizal Treaty—whereby a longstanding border grievance was settled—removes a great barrier to further understandings. The Chamizal problem, which has been a divisive factor between our countries for nearly a century, could not have been settled without the friendship and statesmanship of the Mexican Government; and we are most appreciative of the role played by its great President, Adolfo Lopez Mateos.

I am confident that the one remaining serious border problem—that of dealing with the salinity of water which flows from the Southwestern United States into northern Mexico—can be resolved in a similar spirit. Certainly President Johnson is eager to maintain and improve existing relations on the high plane to which Presidents Kennedy and Lopez Mateos helped bring them, and in which President Johnson played a highly significant but unpublicized part. And I know I speak for my colleagues in both Houses when I say that we look forward to the visit of the Mexican Congressmen to Washington on March 3, 4, and 5, when we shall discuss this and other items of mutual interest.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Feb. 26, 1964

For actions of Feb. 25, 1964

88th-2nd; No. 33

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HIGHLIGHTS: House Rules Committee denied rule on water research bill. House Rules Committee cleared bill to establish Public Land Law Revision Commission. Reps. Harding and Langen expressed disappointment with beef-import agreement. Rep. King (N.Y.) urged increase in REA interest rates. House agreed to conference report on tax bill. Sens. Mansfield, Monroney, and Hruska expressed concern over beef import situation. Sen. Young, N.Dak., criticized longshoremen's refusal to load wheat shipments to Russia. Sens. Humphrey and McGovern commended lifting of longshoremen's boycott on wheat shipments to Russia. Sen. Gruening urged extension of public works acceleration program. Several Representatives introduced and Reps. Olsen (Mont.), Jensen, Fisher, and Montoya discussed bills to restrict meat imports.

SENATE

1. PEACE CORPS. The "Daily Digest" states that the Foreign Relations Committee "ordered favorably reported without amendment S. 2455, authorizing \$115 million for the operation of the Peace Corps for fiscal year 1965." p. D132
2. TAXATION. Received the conference report on H. R. 8363, the tax bill, and several Senators debated the merits of several provisions of the bill. pp. 3397-4412
3. FARM LABOR. The Labor and Public Welfare Committee reported S. Res. 290, to authorize the Committee to investigate matters relating to migratory labor; referred to Rules and Administration Committee. p. 3310
Sen. Humphrey commended Sen. Williams', N.J., efforts to improve the welfare of migratory farm workers. pp. 3395-7

4. COTTON; WHEAT. Sen. Tower submitted amendments intended to be proposed to H. R. 6196, the cotton-wheat bill. p. 3314

5. BEEF IMPORTS. Sen. Mansfield inserted his and Sen. Metcalf's letter to the U.S. Tariff Commission supporting the establishment of a quota system or tariff protection based on domestic consumption and production of beef. p. 3318

Sen. Monroney expressed concern over beef imports, congratulated the President on the agreements with Australia and New Zealand limiting beef imports, and inserted an address by Sen. McGee, "Congress Looks at the Price of Beef." pp. 3320-2

Sen. Hruska expressed concern over the beef import situation and inserted several articles reviewing the matter. pp. 3327-30

Sens. Monroney, Bible, Cannon, Carlson, Curtis, Dominick, Edmondson, Goldwater, Hartke, Hayden, Long (Mo.), Mechem, Simpson, and Yarborough were added as cosponsors of S. 2525, to restrict imports of beef, veal, and mutton into the U.S. p. 3314

6. WHEAT; FOREIGN TRADE. Sen. Young, N. Dak., criticized the longshoremen's refusal to load wheat for shipment to Russia, stated that their "demand that 50 percent of the wheat shipped to Russia be handled by American ships is just impossible," and inserted an editorial, "Administration, Congress are Permitting Dockworkers to Kick Farmers Around." pp. 3332-3

Sen. Humphrey commended the announcement of the ending of the longshoremen's boycott on wheat shipments to Russia and stated that the boycott had resulted from a misunderstanding over terms for shipment of the wheat. pp. 3412-4

7. FARM PROGRAM. Sen. Symington inserted Secretary Freeman's speech before the National Association of Soil Conservation Districts in Kansas City, Mo., reviewing the agricultural situation. pp. 3338-40

8. PUBLIC WORKS. Sen. Gruening urged extension and expansion of the public works acceleration program as a part of the President's proposals to combat poverty and inserted an article in support of his position. pp. 3342

9. POVERTY. Sen. McGee commended the selection of Peace Corps Director Shriver to organize "the unconditional war against poverty," and inserted an article commending the selection. pp. 3334-5

10. CONSERVATION. Sen. McGee inserted Bureau of Reclamation Commissioner Dominy's speech before the Wyoming State Conference of Agricultural Stabilization and Conservation Service Committeemen reviewing activities in the area of resource conservation and development. pp. 3336-8

11. CIVIL RIGHTS. Sen. Stennis criticized the action of the leadership in not referring H. R. 7152, the Civil Rights bill, to committee for consideration. pp. 3319-20

12. FLOOD CONTROL. Sen. Carlson commended the report of the Corps of Engineers recommending construction of several reservoirs on the Walnut River for flood control and other beneficial uses. p. 3350

13. CIVIL DEFENSE. Sen. Inouye criticized an editorial questioning the need for construction of fallout shelters for civil defense purposes. pp. 3391-2

14. LEGISLATIVE PROGRAM. Agreed to a unanimous consent agreement to vote on adoption of the conference report on the tax bill today, Wed., followed by t

Joint Resolution 159 be printed in the RECORD and that it also be held at the desk for cosponsors until Friday, March 6.

I believe this is the resolution that designates the fourth Friday in September as American Indian Day.

The ACTING PRESIDENT pro tempore. Without objection, the joint resolution will be printed in the RECORD and will be held at the desk for cosponsors until Friday, March 6.

Senate Joint Resolution 159 is as follows:

Whereas the American Indian is the original American and has resided on this continent since time immemorial; and

Whereas he has made an indelible imprint on our national character and culture, and history is replete with names and deeds of many outstanding American Indians who have contributed immeasurably to our way of life, our moral standards, and our love of nature; and

Whereas Indian woods and water lore, arts, and handicraft are basic in the manuals of the Boy Scouts, Girl Scouts, Camp Fire Girls, Y-Indian Guides of Young Men's Christian Association, and the many other American patriotism-building youth groups, while outdoor enthusiasts, young, and old, all over the world, rely on Indian folkways for guidance and inspiration; and

Whereas the American Indian has made such other outstanding contributions to our American economy as the cultivation of corn, cotton, tobacco, beans, squash, tomatoes, peanuts, and melons, which have today become basic American industries; and

Whereas a number of States celebrate "Indian Days" in September when traditional Indian festivals are held in recognition of the contributions the American Indian has made to our national life; and

Whereas the special responsibility of the Federal Government for the American Indian makes national recognition particularly fitting; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth Friday in September of every year is designated as American Indian Day, and the President of the United States is authorized and directed to issue annually a proclamation setting aside that day as a public occasion and inviting the people of the United States to observe that day with appropriate ceremonies.

EXEMPTION FROM INCOME TAXATION OF CERTAIN NONPROFIT CORPORATIONS AND ASSOCIATIONS—AMENDMENTS (AMENDMENT NO. 426)

Mr. JAVITS. Mr. President, on behalf of myself, my colleague, the junior Senator from New York [Mr. KEATING], and the Senator from Maryland [Mr. BEALL], I submit amendments, intended to be proposed by us, jointly, to the bill (H.R. 3297) to amend section 501(c) (14) of the Internal Revenue Code of 1954 to exempt from income taxation certain nonprofit corporations and associations organized to provide reserve funds for domestic building and loan associations, and for other purposes. I ask unanimous consent that a memorandum, relating to the amendments, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received,

printed and referred to the Committee on Finance; and, without objection, the memorandum will be printed in the RECORD.

The memorandum presented by Mr. JAVITS is as follows:

MEMORANDUM ON AMENDMENT TO H.R. 3297 REGARDING THE NEW YORK STATE SAVINGS AND LOAN BANK

The Savings and Loan Bank of the State of New York is a quasi-governmental instrumentality of New York. It is a nonprofit mutual institution. The bank's function is to maintain a liquidity fund to make loans to banks which are basically sound but short of liquid assets—the same function as the tax-exempt Federal home loan banks. The bank was exempt from income taxation from its inception in 1915 until 1963 when the Internal Revenue Service reversed its previous ruling on the narrow ground that the bank does not fall within the literal language of code section 501(c) (14). This section was enacted in 1951 to cover institutions such as the bank. This technical amendment corrects this apparently unintentional legislative oversight.

The Savings and Loan Bank of the State of New York was created by an act of the Legislature of the State of New York in 1914 and commenced operating in 1915 as the Land Bank of the State of New York. The original name was changed to the present one by the New York Legislature in 1932.

From its inception, the Savings and Loan Bank has been a creature of the New York State Legislature. Proposed bylaws for the bank, the general powers of the bank and the restriction on such powers as well as the composition of the bank's membership and the number and election of the bank's directors are all specifically regulated by statute. The Savings and Loan Bank, together with its capital, accumulations and other funds are exempt from State taxation under section 446, article 15-B of the New York State banking law.

The Savings and Loan Bank is organized without capital stock and membership is limited to savings and loan associations in New York. It is authorized to extend credit to, and act as a service bank for, its membership. The bank is also authorized to administer a fund for the insurance of savings accounts in savings and loan associations; however, an amendment to the New York banking laws is necessary before the Savings and Loan Bank can adopt a plan of insurance.¹

By letter dated July 15, 1935, the Internal Revenue Service ruled that the Savings and Loan Bank of the State of New York was exempt from Federal income tax under section 101(4) of the Revenue Act of 1934 which provided exemption for domestic building and loan associations. Congress in 1951 eliminated the tax-exempt provisions for domestic building and loan associations; however, a tax-exempt status for State-chartered insurance and liquidity funds was expressly provided in what is now section 501(c) (14). This exemption was expected to cover the Savings and Loan Bank, and the Internal Revenue Service by letter dated December 1, 1952, reaffirmed the tax-exempt status of the Savings and Loan Bank.

¹ At the time this section of the New York banking law was adopted, there were about 250 savings and loan associations in New York. A limitation was added that the insurance fund could not be established for less than 100 savings and loan associations. At the present time there are only about 100 savings and loan institutions in New York (other than Federal savings and loan associations which must obtain insurance from the Federal Savings and Loan Insurance Corporation) and some of these are presently insured with the FSLIC.

By letter dated December 4, 1961, the Revenue Service notified the Savings and Loan Bank of the Service's intention to revoke the bank's tax-exempt status on the grounds that the Service had erred in reaffirming the tax-exempt status of the bank in 1952. It considered it had erred because the Savings and Loan Bank did not insure accounts in savings and loan associations but only provided reserve funds. By letter dated July 12, 1963, the tax-exempt status of the Savings and Loan Bank was revoked.

It is apparent that the Savings and Loan Bank of the State of New York has been the victim of an unintentional legislative oversight. The predecessor of section 501(c) (14) was added at the behest of the two mutual deposit guarantee funds in Massachusetts. No thought was given to New York. The Ohio Deposit Guarantee Fund did not qualify under the 1951 amendments and an amendment in 1960 was approved to correct this discrimination. No relief was considered for New York because it was considered that New York was already covered by the exemption. The Maryland Savings-Share Insurance Corp. is also not covered by section 501(c) (14), it having been organized after the cutoff date in the statute, and H.R. 3297 has been passed by the House of Representatives to alleviate this inequity.

The House Ways and Means Committee report on H.R. 3297 describes the functions of organizations exempt under section 501(c) (14) as follows:

"The organizations covered by this provision are nonprofit, mutual deposit guarantee organizations without capital stock organized for the benefit of a group of mutual savings banks or for a group of building and loan associations. These guarantee organizations provide two services for their member banks. First, they provide a deposit insurance fund to aid their members in financial difficulty and in final extremities to pay off the depositors in full if a member bank is liquidated. Second, they also maintain a liquidity fund (which may or may not be a fund separate from the deposit insurance fund) to make loans to member banks which are basically sound but short of liquid assets. The deposit insurance fund is built by premium charges and the liquidity fund by deposits made with the guarantee organization. In addition, investment income is earned by the organization on both types of funds although there is little accumulation in the case of the liquidity funds since interest generally is paid on these deposits of the member banks." (H. Rept. No. 459, 88th Cong., 1st sess. (1963).)

The first of the two functions of the deposit guarantee organizations, that is the deposit insurance function, is performed under Federal laws by the tax-exempt Federal Savings and Loan Insurance Corporation. The second of these two functions—maintaining a liquidity fund—is performed under Federal laws by the tax-exempt Federal Home Loan Bank system. The State-created institutions of Massachusetts and Ohio (the only deposit guarantee organizations presently covered by the exemption), have combined these two functions in one institution.

It is not maintained that the Savings and Loan Bank of the State of New York performs the functions in New York of the FSLIC. It does not. It is submitted, however, that the Savings and Loan Bank does perform the functions in New York of the Federal home loan banks.

Section 13 of the Federal Home Loan Bank Act (12 U.S.C. 1433) exempts from State and Federal tax the Federal home loan banks. This amendment will extend this same tax treatment to a State-chartered institution which is performing the same function as the Federal home loan bank system. There is no reason to require that the Savings and Loan Bank of the State of New York perform the same functions as both the Fed-

eral home loan banks and the Federal Savings and Loan Insurance Corporation to get tax exemption when Congress has split these functions between two Federal instrumentalities and granted exemption from tax to each. Unless it is the intention of Congress to eliminate the "competition" of the Savings and Loan Bank of the State of New York, there is no justification for taxing the quasi-governmental instrumentality of the State of New York and exempting from tax the Federal home loan banks.

This amendment is limited to those institutions organized prior to July 22, 1932, the date when the Federal Home Loan Bank Act was enacted by the Congress.

AGRICULTURAL ACT OF 1964— AMENDMENTS

Mr. TOWER submitted six amendments (Nos. 427, 428, 429, 430, 431, and 432), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON—ADDITIONAL COSPONSOR OF BILL

Mr. MONRONEY. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by the Senator from Montana [Mr. MANSFIELD] (for himself and other Senators) on February 20, 1964, the next time that bill is printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON INTO THE UNITED STATES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 20, 1964, the names of Mr. BIBLE, Mr. CANNON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. LONG of Missouri, Mr. MEACHEM, Mr. SIMPSON, and Mr. YARBOROUGH were added as additional cosponsors of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators) on February 20, 1964.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. JAVITS:

Letter from officers and members of the Jewish Veterans Association to Mrs. Jacqueline Kennedy, informing her of the planting of 100 trees in the Freedom Forest in Israel in memory of the late President John Fitzgerald Kennedy.

Excerpt from a recent address by Nat H. Hempal, president of the Queens County Bar Association, describing the present status of the Queens plan to improve judicial selection.

INDEPENDENCE OF ESTONIA

Mr. JAVITS. Mr. President, Estonia became a free and independent Republic 46 years ago, on February 24, 1918; and Estonians all over the world outside of their native land are commemorating that event this February 24. Like the other Baltic States, Estonia enjoyed 22 precious years of self-rule before she was overwhelmed by the Soviet Union's armies. The conflict with Communist oppression over the years since then has been long and costly; but the people of Estonia continue to struggle on, in the hope of eventual liberation.

Americans of Estonian extraction and others who uphold the right of self-determination as a principle of international law are determined to keep alive the desire for freedom, in spite of the terror that holds this unhappy land in its grip. In Estonia as in other Baltic countries, the enslaved peoples know that their struggle can have only one conclusion—the ultimate liberation of their people. I join in that hope, because the United States will continue to struggle against Communist aggression until all the people of the world are again free.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INOUE in the chair). Without objection, it is so ordered.

ORDER FOR HANDLING OF TREATIES ON THE EXECUTIVE CALENDAR

Mr. MANSFIELD. Mr. President, after discussion, and with the approval of the distinguished minority leader and other Senators who are concerned, I ask unanimous consent that when the treaties which are on the calendar are considered—and I understand they have been cleared on both sides—one vote be considered as four separate votes, and that before they are recorded in the RECORD, there be entered in the RECORD an explanation of each executive agreement.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The only treaty which concerns me in connection with the unanimous-consent request is the one which provides for return of Austrian assets. Will the Senator from Montana except it from his present unanimous-consent request, with the right to include it a little later in the request? I should

like to consider that treaty, in that connection, to be certain.

Mr. MANSFIELD. Yes—and, of course, with the proviso that if anything untoward develops later, inasmuch as some Senators are not now in the Chamber, the request will be withdrawn.

Mr. JAVITS. Yes—and with the exception of the treaty on return of Austrian assets, but with the right to include it a little later in the request.

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. I understand that each treaty will then appear in the RECORD, and the yea-and-nay vote will appear three times—and possibly four times, if the distinguished Senator from New York is satisfied in regard to the Austrian treaty; and that an adequate explanation of each treaty will also be included in the RECORD, before the yea-and-nay vote on it is set out. Is that correct?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

U.S. AMBASSADOR TO PANAMA

Mr. MILLER. Mr. President, it has been my feeling that had the administration acted promptly in naming a new ambassador last fall, the trouble we are now having in Panama could well have been averted. It has been a source of puzzlement to me, as well as to many others, as to the reasons underlying the failure to appoint an ambassador to that vital nation.

But it is no understatement, to say the least, that I was astonished, to read in the Washington Daily News of February 4 the comments by the former ambassador to Panama, Joseph S. Farland. If what Mr. Farland says in Henry J. Taylor's column is true—and thus far we have no reason to believe otherwise—then it goes far in explaining our recent foreign reversals not only in Panama but elsewhere as well.

Mr. President, these questions should be and must be resolved:

First. Why was not Mr. Farland "debriefed" upon his return from Panama? And why had Secretary of State Rusk apparently been informed that Mr. Farland had?

Second. Why were orders given that Mr. Farland was not to be invited for consultation with various agencies which should have had the benefit of his knowledge?

Third. Why was Mr. Farland ordered not to have any contacts with top CIA executives and any congressional leaders?

Fourth. Why were Mr. Farland's dispatches warning of the Castro buildup and mounting crisis in Panama ignored?

Fifth. Are there any officials in the State Department who are hampering our policies?

These are not idle questions. The security of our Nation depends upon their being answered. If they are not, then it is quite obvious that we will suffer more reverses such as have occurred in Panama and South Vietnam.

be internationalized, and he has repeated the proposal.

A few weeks ago presidential hopeful Senator HUBERT HUMPHREY took up the idea. The Minnesota Senator said, in effect, that we have two alternatives in the Panama Canal Zone. We can work out a cooperative program with the Republic of Panama, giving Panama more voice and rights in the Canal Zone. Or we can go to the United Nations and offer to internationalize the canal, providing the same is done for other international waterways.

Senator WAYNE MORSE, of Oregon, chairman of the Senate Foreign Relations Subcommittee on Latin America, recently hired a study group from Northwestern University, at the taxpayer's expense, to look into and recommend a plan for disposing of the Panama Canal question. The report recommends what it terms "regionalization" of the waterway; that is, giving the nations of this hemisphere some say in the affairs of the canal. The Northwestern University professors went on to say that the Council of the Organization of American States might establish an advisory canal commission, which would supervise traffic studies "including the long range problem of arranging for a second canal across Nicaragua."

The group also said that later moves might include giving the Organization of American States representation on the Board of Directors of the Canal Company and the transfer of canal stock in small blocks to the hemisphere body. "By regionalizing the canal in this way," the professors concluded, "we avoid the political dilemma of internationalizing it through a divided United Nations, or having it eventually nationalized despite ourselves by the Panamanians."

Unfortunately, too few of our own people—those in authority as well as average citizens—seem to know the main facts about the Panama Canal, its origin, and purpose. The isthmus has always been a strategic artery of transportation. It was the route the Spanish conquerors took to western South America, to the riches of Peru, Bolivia, etc., in the 16th century.

In 1856, when our own people were pioneering to California, U.S. citizens built a railroad across the isthmus and thousands of settlers traveled to the Pacific coast by that route. In 1880, a French company headed by Ferdinand de Lesseps, who previously had dug the Suez Canal, attempted to build a canal across Panama. Lack of money, the ravages of disease, and innumerable difficulties and hardships forced De Lesseps to give up.

By then (1889) we were becoming a great naval power. During the Spanish-American War we had found it a hazardous undertaking to transfer our fleet from the Atlantic to the Pacific by way of Cape Horn. Also our Pacific coast and the new Territory of Alaska were practically undefended. It became a matter of the utmost strategic urgency to find a shorter route.

In 1890, the United States bought the French rights and holdings, but found objections from Colombia, of which Panama was then an isolated northern province. On November 3, 1903, the Panamanians seceded from Colombia, and President Theodore Roosevelt recognized the newly organized Panamanian Government on November 6. Twelve days later we signed a treaty with the new Republic, which gave us the right to construct and operate the canal.

Article II of that document grants the United States "in perpetuity" complete jurisdiction over the 553 square miles that make up the zone. Article III further states that Panama grants to the United States "all the rights, power, and authority within the zone mentioned and described in article II * * * to the entire exclusion of the exer-

cise by the Republic of Panama of any such sovereign rights, power, or authority."

To seal the bargain, we paid the new Government \$10 million in cash and pledged ourselves to pay annually thereafter \$250,000, which in 1955 was upped to \$1,930,000. During Woodrow Wilson's administration we paid Colombia \$25 million, as a friendly gesture and in token of damages it had sustained.

It probably is too much to expect even intelligent Panamanians to admit that what we actually got from them by treaty, and for which they received what then was a considerable sum of money, was a mere strip of sodden, disease-ridden jungle and marshland, most of it totally uninhabited.

Since 1903 we have built a canal that accommodates the ships of the whole world. Our scientists and doctors turned the swamps, as well as the two main Panamanian cities, into virtual health resorts. We have built hospitals, schools, homes, highways, stores, and shops, as modern as any in the world. We have also built all the facilities necessary to operate and defend the biggest single Government-operated industrial setup outside the United States itself.

Although we are accused of reaping billions from this project, to date U.S. taxpayers have spent more than a billion and a half dollars on its construction and maintenance; but they have received from it only a little over \$965 million in tolls.

Meantime, the Panamanians who spent nothing to put it there, and who take no risks in making it function and pay its way, daily reap a windfall of benefits and profits from it.

But regardless of what happened in the past, and entirely aside from the question of whether this country has or has not been financially generous to the Government and the people of Panama, the question now arises: What is for the ultimate best interests of all concerned in the operation and maintenance of this vital waterway?

Obviously it is of the utmost importance to the other nations of this hemisphere and to the world in general, as well as to our own country and to Panama, that it be maintained in perfect condition and operated by highly trained personnel and experienced directing heads. Those in charge should also be men of unusual economic and financial ability, if they are to make wise policies for a multimillion-dollar corporation that by law has to be self-supporting.

Anybody with even a cursory knowledge of the Panamanian population knows that the little Republic does not have the means or the know-how to do either. Even if enough Panamanians were technically trained to do the job, the instability of the country would be a danger to the safety and dependability of the canal's operation. From 1949 to 1959 there have been seven different Presidents, almost one a year, not one of whom served out his term. President de la Guardia may succeed in squeezing through until next May, although he already has experienced several close calls.

The Panamanians still insist that we do not pay their people the same wages that we pay North Americans. Of course, this is not true. It may have been in the past, but not since the last treaty revisions. Since then, a Panamanian who does the same job that a North American does gets the same pay, the same promotions, the same benefits.

Since so many Panamanians engaged in agitation against the United States, and participated in violent attacks on canal properties, the question of security of the installations becomes an all-important consideration. Those responsible for any organization as vital to national and hemisphere defense as the Panama Canal would hesitate

to promote or put Panamanians or any other than U.S. citizens in charge of strategic posts.

The Panama Canal is not only a vital artery of transportation but also a critical link in our own national defense. It is equally important in the defense of all the southern Republics. None of them likes to admit it, of course, but not one of the 20 countries could defend itself against an attack by modern weapons.

The United States is Latin America's sole defense in any major war. The canal is the sole means of shifting war vessels from one ocean to another quickly; it is also an indispensable supply line. Unless we control it, it would be of little use in any emergency.

Aside from the fact that nobody else put a penny into its construction, least of all the Panamanians, these were among the chief reasons for making a treaty which gave us complete jurisdiction over the zone in the first place. Divided authority and jurisdiction, which could cause disagreement and confusion at a critical moment, would give an enemy great advantage and would kill the efficiency of the operations in normal times.

The very fact that we are committed to NATO, the Rio Defense Treaty, the Western Hemisphere, and the Southeast Asia alliances, is a further reason for maintaining the political provisions of the 1903 treaty. Especially since we still are in the midst of a dangerous cold war with Communist nations.

Nor is the mere fact that Panamanian leaders have changed their minds and now want to revise the treaty, not to say, nullify it, sufficient reason to go along with them. No doubt Mexicans would like to revise the treaty that ceded California to us, so that their flag might again fly over this rich territory. France might like to have the treaty by which we acquired Louisiana and the vast western territories that went with it overhauled.

The insistence upon flying the Panamanian flag in the zone, "as a token of titular sovereignty," now the prime goal of the isthmian crusaders, is merely a ruse, a Trojan horse. Once there, it would be pointed to as an acknowledgement of total, not titular, sovereignty. It would be an excuse for the extremists to demand more tokens of Panamanian power. They could point to the flag as a supreme demonstration of U.S. deceit—"Washington admits the canal is ours but won't let us rule over it."

Even if it were logical and wise to make political concessions, or if there were no threats of a future war, this is no time even to discuss the matter. You don't make concessions when an organized mob is converging on your house.

We have become the great Western power, but we don't act the part. We are still anxious to be loved by everybody. We cringe every time some government, even a shaky one, or some extremist group criticizes or throws spitballs at us.

Nobody loves a great power. Nobody loved England when Britannia ruled the waves. But they respected her. She went straight down the road of what she thought was her duty. She lived up to her treaties and obligations and expected others to do likewise.

The U.S. Government has the same right and the same obligation to demand that Panama, the other party to the treaty of 1903, live up to its obligations, to its word, its signature. That is what the treaty was for.

Finally, it is time for the administration and the Congress to stop trying to please everybody; such efforts mean that we usually end up pleasing nobody. It would be an innovation, and the people of the United States no doubt would shout "Hosanna," if the White House and Capitol Hill would act

as the responsible protectors of American rights abroad that they are supposed to be.

One thing is certain: Our rights and our obligations in the matter of the Panama Canal and its operation and protection, are at stake.

At least it is time for our leaders to speak with one voice, and not as if they were the inmates of a tower of Babel.

THE AMERICAN LEGION'S POSITION

At the 41st National Convention of the American Legion, August 25-27, 1959, the committee on foreign relations reported:

"1. We reaffirm our opposition to any proposal or effort to change in any way, the status quo of the Panama Canal."

The convention adopted a resolution (No. 645) that called upon "our Government to promptly and vigorously use all means within our power to prevent the establishment or continuance of any Communist or Communist-controlled government within the Western Hemisphere," and urged "all American Republics to join with our Government in the elimination of this threat to the freedom of the people of the Western Hemisphere and of the world."

BEEF IMPORT AGREEMENT—CORRECTION OF THE RECORD

Mr. MANSFIELD. Mr. President, on February 20, 1964, I addressed the Senate on the new beef import agreement and the general subject of beef imports. At the conclusion of my remarks I had intended to insert a copy of a letter my colleague [Mr. METCALF] and I addressed to the U.S. Tariff Commission on the cattle and beef import situation. Inadvertently the attachment was a letter to the U.S. Tariff Commission, but on the subject of copper imports.

Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD my statement "Beef Import Agreement" and the correct attachments.

There being no objection, the statement and attachments were ordered to be printed in the RECORD, as follows:

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962-63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the

average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. MCGOVERN], and the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: Provided, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture."

The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,

Washington, D.C., February 17, 1964.

Mr. BEN D. DOREMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: In response to a resolution adopted by the Senate Finance Committee, the U.S. Tariff Commission will soon begin an investigation of the impact of foreign cattle and beef imports on the domestic market. This is a matter of considerable importance to the State of Montana as one of the leading producers in the livestock industry.

The problems now plaguing the ranchers are many and complex. Each day our mail brings new and more desperate appeals for aid in stopping the present decline in cattle prices. There is an immediate need to stabilize the cattle and beef market or we fear we will be faced with a situation of momentous proportions.

This is a many sided problem, but one of the major causes is the increasing share of the domestic market that is being taken over

by the importers. The trend over the past several years has been in this direction until we now find that imported beef equals more than 11 percent of U.S. production. What has been a threat has now been compounded into an unfair and difficult situation.

As the members of the Commission know, the United States is the only major beef market without quantitative restrictions and very low duties. Also, we take 51 percent of the world trade in beef. On the basis of these facts, we wish to support the industry in its request for an establishment of a quota system or tariff protection based on domestic consumption and production.

The executive branch of our Government has the authority to provide relief to the cattle industry. The need is amply demonstrated. The Nation's Government must take the initiative to prevent a very serious economic depression in one of our basic industries. The Tariff Commission can recommend the necessary relief to the President. If the Federal Government does its part, it will then be up to the industry itself to handle problems such as excessive marketing, new marketing methods, and consumer preferences.

With best personal wishes, we are,
Sincerely yours,

MIKE MANSFIELD,
U.S. Senator.
LEE METCALF,
U.S. Senator.

SERVICE OF REPRESENTATIVE HAROLD C. OSTERTAG

Mr. KEATING. Mr. President, yesterday our distinguished colleague in the other body, Representative HAROLD C. OSTERTAG, announced that he would not be a candidate for reelection as a Member of Congress from New York. Representative OSTERTAG represented the district geographically adjacent to mine when I served in the other body. He has had a distinguished career there. As a member of the Appropriations Committee, he has been in conference with many Members of this body, who must have learned from those conferences how sound and conscientious he is in the performance of his duties.

Congressman OSTERTAG fought for his country in World War I, enlisting in the 74th Infantry, 27th Division. He served with the 55th Pioneer Infantry in the American Expeditionary Force.

He has served as State vice commander of the American Legion. He is a member of the Veterans of Foreign Wars, the Elks, and the Attica Grange and the Wyoming County Farm Bureau.

His adult life has, in fact, been dedicated to public service in his district—the 37th District—his State and his country.

He is leaving the Congress in full vigor and in good health. I am sure he leaves with the good wishes of all of us who have served with him and who know of his outstanding service to his country.

I express the hope that he will enjoy his retirement.

Before his service in the Congress, he served for many years in the New York State Legislature, so he has had three decades of dedicated and distinguished public service. I wish him and his wife and family great happiness and the enjoyment of a long life.

Mr. JAVITS. Mr. President, will my colleague yield?

Mr. KEATING. I am happy to yield.

Mr. JAVITS. I join in wishing well to Representative OSTERTAG. Representative OSTERTAG has been an indefatigably able Member of Congress, devoted to the affairs of our State and district and to the affairs of the Nation. Incidentally, his is one of the finest minds of which I know for analyzing the real effect and basis of a piece of proposed legislation or public policy. Representative OSTERTAG has often prided himself upon the fact that he represents conservative views. I feel very deeply that that is the kind of skill which the Congress urgently needs, and it represents the finest contributions of a man who so characterizes himself in terms of the amalgam which is the American consensus.

I am sorry that he is leaving us. We can only be grateful to him for the enormous service that he has rendered, and pay this extremely well deserved tribute to his service. I join my colleague, his next door neighbor, in the hope and prayer that he will have a full and happy life in all the years which lie ahead of him.

I thank my colleague.

The PRESIDING OFFICER. Is there any further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL RIGHTS

Mr. STENNIS. Mr. President, when the House-passed H.R. 7152—which masquerades under the false and misleading title of "The Civil Rights Act of 1963"—reached the Senate, it was intercepted at the door by the distinguished majority leader. His announced purpose is to bypass our established and traditional practices and ask for its consideration by the Senate without referral to the appropriate committee.

It is more in sadness than in anger, Mr. President, that I protest the manner in which the historic safeguards of the Senate are being trampled in an effort to stampede this vicious legislation to passage. This measure is unquestionably the most radical and far-reaching proposal in the field of civil rights which has ever been presented to this body. Yet we will be asked to agree that it should be considered on the floor of the Senate without the benefit of the committee action which has always been considered essential even in the case of much less important legislation. Such disregard of our longstanding rules of procedure should cause concern to even the most ardent supporters of this legislation.

This latest parliamentary gambit by the leadership is, unfortunately, typical of the zeal which has motivated supporters of this legislation to run roughshod over those who have opposed it. This is not the bill originally presented to the House Judiciary Committee. It is not

the bill on which hearings were held by that committee. A substitute for the original bill was drafted in secrecy by a few select and unidentified individuals. It was then abruptly presented to the Judiciary Committee of the House and was reported, according to the minority report, after having been considered for precisely 2 minutes. Even after the bill was reported, an effort was made to further bypass established procedure and to petition the bill from the Rules Committee. This maneuver failed, however, and rather brief hearings were held by the Rules Committee. The bill was then pushed through the House with all possible speed.

The manner in which the bill was bulldozed through the House committee caused the dissenting Members to make this statement in the minority report:

This legislation is being reported to the House without the benefit of any consideration, debate, or study of the bill by any subcommittee or committee of the House and without any member of any committee or subcommittee being granted an opportunity to offer amendments to the bill. This legislation is the most radical proposal in the field of civil rights ever recommended by any committee of the House or Senate. It was drawn in secret meetings held between certain members of this committee, the Attorney General and members of his staff, and certain select persons, to the exclusion of other committee members.

Surely, no one can seriously contend that this constitutes proper legislative procedure. The members of the House Judiciary Committee who opposed this legislation clearly felt that they were arbitrarily denied the "due process" to which the supporters of the legislation give such fervent lipservice.

The sponsors of this legislation now seek to repeat this legislative injustice in the Senate. If they should succeed, we will see this monstrous bill—which perhaps will create the greatest flood of strife, turmoil, and conflict which this Nation has seen in the past 100 years—being pushed through Congress without the benefit of any consideration, debate, or study by any committee or subcommittee whatsoever, except for the brief hearings by the House Rules Committee.

I recognize, of course, that the original omnibus civil rights bill (S. 1731) was introduced in the Senate last year and that some hearings were held on the title dealing with voting rights. However, there are many important and basic differences between that bill and H.R. 7152.

Hearings were held by the Senate Commerce Committee on S. 1732 which embodied the original version of the public accommodations title of the omnibus bill. Again, however, there are a number of fundamental and basic differences between that bill and the public accommodations section of the House-passed bill.

In addition, some hearings were held in the Senate and in the House on separate FEPC bills, which differed in several important respects from the equal employment opportunity provisions of title VII of the House bill. In the Senate, at least, it appears that only proponents of FEPC were heard.

Thus, Mr. President, there have been

hearings by Senate committees on only 3 of the 10 separate subject matters covered by the House bill, and these were necessarily incomplete since they were directed to bills which differed substantially from the House bill.

I say again, Mr. President, that the attempt to force us to legislate in this hasty and unseemly fashion does violence to the basic and fundamental principles of orderly parliamentary procedure. It flouts tradition and defies logic.

None will deny that this is the most drastic and far-reaching legislation in the civil rights field which this body has ever been asked to consider. It deals with the most sensitive phases of our society, customs, economy, and governmental operations. It would vest in one individual—the U.S. Attorney General—more naked and raw power over the lives, properties, and habits of the citizens of this Nation than has ever before been held by any one person.

I have said before, and now repeat, that in all of my years of studying law and legislation, I have never before witnessed such a bold and colossal grab for naked power. I am convinced that this bill, if passed, will destroy more individual rights and liberties than it could possibly protect. Under its provisions, special privileges and special consideration will become the institutionalized right of organized minorities.

This, however, is somewhat beside the point of my present discussion. My point now is that we are to be asked to pervert our traditional and time-tested processes and to consider, debate, amend, act upon, and pass this radical and drastic legislation without the benefit of the committee study and consideration which we consider essential even in the case of the most insignificant and unimportant piece of legislation.

I am trying to point out, Mr. President, that this bill should be carefully, judiciously, and thoroughly studied both from a legal standpoint and from the standpoint of its social, economic, and political ramifications. I do not believe that this has yet been done, and I am convinced that it cannot be done in debate on the floor of the Senate where partisan political considerations will assume the overriding importance which has become customary with legislation of this nature.

I apprehend—no, I am convinced—that there is no one in this body or in the entire Nation who can tell us precisely how far this legislation goes and what will be its total effect if it becomes law. The revolutionary impact of it almost defies description and definition. Its generalized terminology and open-ended provisions are susceptible of the most extreme and unlimited interpretations. It is deliberately designed to give the Attorney General the broad and vast power which he seeks. In this regard, it can very easily be construed as a blank check in this field. This is one of the reasons why the bill requires precise definition and careful circumscription by a duly constituted committee before being considered on the floor.

It is not my purpose at this time, Mr. President, to discuss in detail the many vicious, punitive, and ill-conceived provisions of the House bill. However, I will comment briefly on one aspect of it for the purpose of illustrating the impropriety of considering this legislation in the manner which the leadership proposes.

As I have already pointed out, title VII—entitled "Equal Employment Opportunity"—has for its purpose the implementation and effectuation of the FEPC concept. This is the longest and most complex title in the bill. It has been greatly expanded from the original administration proposal. But it has not been fully considered, in precisely its present form, by any congressional committee.

This history of FEPC legislation is well known to all of us. FEPC legislation has been repeatedly before the Congress and, just as repeatedly, Congress, in its wisdom, has refused to authorize the sought for sweeping and dictatorial governmental control over the private industries of this Nation.

Now, however, this oft-rejected concept is to be brought before us again in a summary and peremptory manner without the careful study and analysis which should be given any measure which proposes to grant to the Government the power of life and death over almost all segments of our industry. This sweeping, flagrant, and unwise proposal to extend the power of the Federal Government to interfere with and control the Nation's private industries should not be considered under such circumstances.

Finally, Mr. President, I should like to comment on the widely held misconception that this is a weakened and watered down bill. The fact is that the measure passed by the House is far stronger and much more objectionable than the proposals originally submitted by the President last year. Its constitutionality is even more questionable, and it contains extreme and drastic proposals which the administration itself did not dare to request originally. Many of these proposals have not been the subject of any testimony or debate before any committee of the Congress.

The undisputed fact, Mr. President, is that H.R. 7152, as passed by the House, has not been considered, debated or studied extensively by any congressional committee—Senate or House. I hope that the Members of this great body will consider seriously and earnestly both the implications of this measure and the efforts to ramrod it to a hasty passage. Between these efforts and the established and orderly traditions of the Senate there is a gulf too deep to swim and too wide to wade.

I hope that we will not be led astray by misguided zeal and enthusiasm. I hope that the memory of organized demonstrations in the streets and the false attraction of high-sounding catch-all phrases will not blind us to the perhaps fatal consequence of following the path down which some would lead us. Let us adhere to and honor the historic and time-tested traditions and procedures of

this body and refer H.R. 7152 to the appropriate standing committee for the study and consideration which its importance merits and demands. I shall do everything within my power to insure that this course is followed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FALLING BEEF PRICES—ADDRESS BY SENATOR MCGEE

Mr. MONRONEY. Mr. President, the senior Senator from Wyoming, had some illuminating remarks on the subject of falling beef prices and how they relate to imports from abroad which he delivered to the National Conference on Foreign Trade in Meats at St. Louis, Mo., February 13, 1964. Senator MCGEE spoke of protecting those tariff barriers which exist and of import quotas to give domestic livestock producers a greater degree of protection.

The Senator's remarks were made 4 days before the Department of State announced its agreement with Australia and New Zealand, the largest importers of beef into the United States. The agreement, although only a step, and not a giant one, reverses the direction of ever-increasing beef imports into this country. Oklahoma stockmen, along with all U.S. stockmen, would have been hit even worse financially had Australia and New Zealand gone forward with plans to increase shipments to us by more than 25 percent over this year. Instead, in 1964 there will be a rollback of about 6 percent from the 1963 average. In 1965 and thereafter a slight annual increase is provided.

The voluntary restraint agreed to by two of our good neighbors and good customers was noteworthy. I congratulated President Johnson on his prompt action and expressed hope that the domestic market would be strengthened and the industry stabilized by this action.

In his speech, Senator MCGEE also stressed the importance of getting major foreign suppliers of meat to voluntarily divert these imports to other nations, taking into consideration the fact that the people of these lands will increase their consumption of meat as their standard of living increases.

Mr. President, I ask unanimous consent that Senator MCGEE's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CONGRESS LOOKS AT THE PRICE OF BEEF
(Remarks by the Honorable GALE MCGEE, U.S. Senator from Wyoming, at the National Conference on Foreign Trade in Meats, St. Louis, Mo., February 13, 1964)

This speech is going to begin with a very unpolitical statement. I do not have a fool-proof solution to the problem of falling beef

prices. And if any of you out in the audience do, I think perhaps we had better change places, and I'll listen to you instead.

But I will say that my lack of the perfect program is not for want of trying. The State of Wyoming, which I have the honor to represent in the U.S. Senate, derives almost one-fourth of its basic gross income from agriculture, and 79 percent of this amount comes from livestock and livestock products. That cowboy is not on our car license plates merely for historical purposes.

When I began to collect my thoughts and to organize my remarks for you today, I requested the Library of Congress to run up a tally of all legislation introduced so far in the 88th Congress that pertains to beef imports and labeling. They sent me a list of some length on the bills proposed and how they were faring in the legislative mill.

In the Senate there are six bills on the subject. I am proud to be a sponsor of three of them. And in the House of Representatives there are 19. Usually the technical language of a bill is Greek to most laymen—and to many lawmakers, too—but I think that you will readily understand what we have in mind with a bill from which I will quote to you now:

"In addition to existing rates there are hereby imposed on the following articles entered, or withdrawn from warehouse, for consumption during any calendar year in excess of the annual quota for each such article * * * the rates of duty as follows:

"Cattle, weighing less than 700 pounds each, 5 cents per pound;

"Cattle, weighing 700 pounds or more each, 6 cents per pound; and

"Beef and veal, fresh, chilled, or frozen, 12 cents per pound."

That is what this bill, which I sponsor, would do. And I don't think I need make a further explanation of why we are working so hard to shepherd this bill through the legislative mill.

Later this year our trade negotiators will meet in Geneva to work out a new set of tariff agreements between this country and the other nations of the free world, especially the Common Market countries. During those meetings, commonly called the Kennedy round, our representatives and those of the other nations involved will work out the new tariff schedules for the next few years.

In the situation that confronts us in the coming negotiations, I think that the best news we could receive is no news at all. It is my contention that when our negotiators leave for Geneva their list of tariffs to consider in the give and take of negotiations should not include beef. I for one am not prepared to open up discussions on beef tariffs in such a bearish situation. Our best protection, and I have so testified before the U.S. Tariff Commission, is not to debate these tariffs at all.

A look at the situation will tell you why I am interested in protecting such tariff barriers to further beef importation that now exist. In the year 1957 imports of live cattle, beef, and veal accounted for 3.9 percent of our domestic consumption. In 1963 that figure had risen to nearly 11 percent. And from January to August of last year these imports were running 22 percent above those of the same months a year earlier.

The largest share of this beef originates in Australia and New Zealand with a recent flurry from Ireland. In recent months there has been a steady stream of American cattlemen visiting these countries to find out how these producers from "down under" can afford to raise beef, pay shipping costs halfway around the world, pay a 10 percent import tariff, and still make a profit at prices that are ruinous to domestic producers.

One answer, of course, is that this beef is all range fed. This explains why about

80 percent comes in as boneless or canned beef. But the real answer, it seems to me, is the generous incentive program established by the Australian and New Zealand Governments to encourage farmers to open up new range areas. With the methods of modern range development, these people can open up vast new grazing lands at a cost that will allow them to overcome every obstacle between here and there and still have a fat margin with which to work.

Since it would be difficult to talk the foreign producer into adopting another line of work, we must seek other means of limiting his intrusion upon our markets. On this point I favor a two-front approach. First, I have strongly urged the President, the Trade Information Committee, the Tariff Commission, the Secretaries of Commerce and Agriculture, and last but not least, the Congress to consider the establishment of an import quota for meat and meat products.

To many people, quotas and tariffs are about the same thing—a means to limit the importation of a product. But there is a significant difference which has real meaning in foreign trade circles today. The difference is that a tariff seeks to restrict imports by raising their price, while a quota limits them strictly on the basis of quantity. In the postwar era we have seen a new trend which has made many of our tariff barriers ineffective. And that is the policy of foreign governments to nullify the effect of a tariff by providing their exporters with a subsidy that is its equal. This may be expensive for them but illustrates how much they depend upon foreign trade and how valuable American dollars are to them.

These facts are well known to anyone who has studied the import trends in the postwar world. Yet, it is a very difficult job for those of us who are concerned with the problem to convince many of those directly involved in it—and that includes some of you here today—that we are speaking the truth. I sponsor a tariff bill because we need some protection right now. But we cannot cling to the tariff as the only future and salvation to our problems. This is magnifying thinking at its very worst. If we persist in this negative, defensive line, we shall awaken one day to find that the enemy has run around us, over us, and under us and has captured the markets our tariff walls were erected to protect.

The quota is the only direct means of limiting imports that does not have loopholes. It provides a definite barrier to imports beyond a certain amount and has the further benefit of letting the domestic producers know with greater certainty just what kind of competition to expect from abroad. So I am convinced that our efforts to provide the beef producers with protection at the Government level should concentrate on a quota.

The second phase of my attack on the imports problem would be to divert these imports to other nations. It is a well-known fact of human nature—at least in our Western civilizations—that when income increases, so does the consumption of meat. Therefore, as more and more of the nations of the world come to enjoy rising standards of living, especially in Europe and Japan, the market for beef expands. It will be up to our negotiators to convince these other meat-producing nations that it is in their best interest to divert shipments now going to the United States to other places. And one of the incentives toward that idea might very well be the suggestion that, if this reduction in meat shipments was not made voluntarily, it might be necessary for us to eliminate any option on their part and impose restrictions which may be more limiting than the ones they might have on a voluntary basis.

A similar battle to the one we are having right now occurred several years ago in the

cotton textile industry which was in real difficulty because of imports from abroad. When it became apparent that the domestic producers were receiving a sympathetic hearing on their complaints in Washington, the foreign producers, seeing the handwriting on the wall, entered into a voluntary agreement for an import quota. It takes little business logic to see that the loss of some business is better than the loss of all of it.

I have visited the White House three times under the Kennedy administration specifically to discuss this problem and twice already under the Johnson administration. And at each visit the reception to my ideas seems just a bit warmer. And it should be obvious to all of you that our President does not need an explanation of the cattle business or why it is vital to the economy of the Nation.

It is imperative that we maintain the pressure on all concerned to get something done about cattle imports. We dare not let the pending bills languish in committees in the Congress. It may well be that on the legislative front the cattle producers have spent too much time talking to each other and not enough time trying to convince those not well acquainted with these problems. Certainly there is no lack of comment in cattle-raising circles, in the various magazines and newspapers that serve the feeder and rancher, about how imports have affected the price of beef.

In fact, I want to issue a warning here today. Anyone who thinks that if we limit imports we will have it made is very mistaken. It is an all too human tendency to grasp for an easy-sounding solution to a very complex problem. But the world is much too complicated to let you get away with it. If those who are concerned about the economic state of the cattle industry wish to see genuine and lasting results, they are going to have to maintain a steady attack on several fronts at once.

But in addition to the problem of imports, there are those related to domestic marketing practices. Just about 1 year ago, I took to the floor of the Senate to express my concern that at the Denver market the price of fat cattle had been steadily falling. In fact, in a 90-day period around the holiday season, the price had dropped \$7 per hundredweight. This was very alarming to the beef producers, and it was alarming to others concerned for a different reason. And that was that, while the price to the producer dropped sharply, the price to the consumer dropped not at all.

Upon investigation, our preliminary inquiries tend to suggest that some of the chainstores in the area, which are vertically integrated, may have been playing fast and loose with the market.

You know that some of these corporations have plunged into the cattle business; some of them maintain their own feedlots. Those independents to whom I have talked said they were convinced that the chain involved here would run a large number of its own fat cattle on the market to break the price, and then at this lower price buy enough beef for their future needs. In doing so, they penalized both cattlegrowers and feeders of a fair price and likewise failed to pass along the savings to the housewife.

In order to find out what was behind these strange marketing fluctuations, I introduced a resolution into the Congress which asked the Federal Trade Commission to conduct a study of the chainstore operation to see if they are using their size to take unfair advantage of the market.

Almost immediately I was besieged with calls from people in other parts of the food industry—bakers, canners, fruit producers, and poultry raisers—who had complaints similar to those of the beef producer. And this further strengthened my desire to get to the bottom of things, to separate the ac-

cusations from the facts, and to see just where we stand. And I am pleased to note that on January 31, in his message on agriculture, President Johnson shared some of my concern over these chainstore activities. He pointed out that one out of every two grocery dollars—money from the consumer—goes to fewer than 100 corporate, voluntary, or cooperative chains. The President urged the establishment of a bipartisan commission to study the situation and appraise the charges made against the chains.

Support from the White House is always welcome to anyone engaged in an undertaking as complicated as this one. But I would caution you that we must not allow this new proposal, which is supplemental to the one I made a year ago, to be used as an excuse to let up on the present investigation. Our beachhead is already established; it must not be abandoned.

Another factor that enters into the price of beef is, of course, the domestic production. In this modern age while there is much more to marketing than the old law of supply and demand would suggest, that law is still at the bottom of our marketing calculations. Last year—the year when the price squeeze really started—the American producers put on the domestic market 1,104 million more pounds of beef than he did the year before. And the trend for this year seems to be more of the same. Certainly our growing population is eating more beef, but it still seems that an additional billion pounds of beef will have a real effect upon the market.

We might also consider in our search for price equality the activities in competing fields. When the east coast housewife can buy chicken at 25 cents a pound, this fact will influence her decision on what type of protein her family will eat that week.

And, a little more indirectly, we must consider the quality and productivity of our rangeland, the cost of transportation, certainly the price of feed and how much of each bushel gets translated into marketable beef.

One other factor in this problem was brought very forcibly to my attention several years ago right in the Washington, D.C., area. Several housewives had been complaining about the quality of meat—fresh meat they thought—that they had been buying at the neighborhood market. The meat, in this case lamb and mutton, was of obviously inferior quality with a taste and consistency more akin to leather than meat.

Well, we did some checking and found that that meat was not what it was assumed to be. For one reason or another, the operators of that food chain had neglected to make it known that this meat had traveled halfway around the world in a frozen state before being offered to the housewife. I for one believe that, if the purchaser had known the origins of that meat, the decision to buy it might have been different. As it was, the bad reputation engendered by this unwholesome meat was shared by the domestic product as well because the housewife has no way to tell the difference. And while I may be prejudiced, I maintain that any food product shipped for long distances in a frozen or chilled state is going to lose quality along the way—if it had any to begin with. On that occasion, incidentally, a simple phone call to the Secretary of Agriculture was sufficient to clear up that particular case. But spotchecks of that type could not be enough. So after that experience, I returned to my office and drew up a bill. Its number is Senate bill 61. It says:

"No importer, processor, packer, jobber, distributor, dealer, retailer, or other person shall sell or offer for sale any fresh or frozen meats, poultry, or fish which have been imported into the United States, or any food product processed in whole or substantial part from such meats, poultry, or fish, unless

such meats, poultry, fish, or products, or the containers or packages in which they are sold are marked or labeled in such manner as to clearly indicate to the purchaser that such meats, poultry, fish, or products were not produced in the United States."

But this bill is not designed just to protect the housewife against a few tough lamb chops. A recent check by the Department of Agriculture shows that at the present time up to 20 percent of the imported beef is being sold in the higher cuts, and the percentage increases all the time. Just a few years ago none of this meat was so marketed.

This meat shows up in the market show-case, in TV dinners, in the cut-rate restaurants which feature a \$1.29 steak, and in many other places. And I would repeat again that whatever reputation these meats earn, the meat that you produce shares.

The Agriculture Department has undertaken a study to get some additional facts and figures on this problem. I am always happy to have more information, but I would suggest that in this instance we already know enough to get on with the job of informing the public.

This labeling should also be right in line with the new drive to give the consumer a better break in the marketplace. For nothing influences a decision to buy any more than the shopper's idea about the product. And I am convinced that, if the housewife is shopping for fresh meat, she will welcome the opportunity to know which is really fresh and which is not.

And I cannot repeat too many times that this same principle—the opportunity to know and face the facts—applies to the producer as well. We must understand the nature of competition from overseas, we must know the nature of our domestic competitors, and we must know our own weaknesses if we are to make progress.

The victory will go to those who not only are willing to devote their entire energy to the battle but who know their enemy and will attack him on all fronts. This is the job you face as producers; this is the job that I face as a representative in a free government; and this is the job the Nation faces if a vital segment of our economy is to be preserved alive and free.

NATIONAL SECURITY

Mrs. SMITH. Mr. President, the Honorable Herbert C. Libby, of Waterville and Pemaquid, Maine, retired from the faculty of Colby College (Maine), has written a review of a Government-produced book called "Research Paper" which appeared in the February 5 edition of the Waterville (Maine) Morning Sentinel.

Dr. Libby is a scholar and an authority on government. I ask unanimous consent that his review be placed in the RECORD as it deserves to be read:

There being no objection, the review was ordered to be printed in the RECORD, as follows:

BOOK ON U.S. SECURITY DESERVES WIDE READING

(By Herbert C. Libby)

(EDITOR'S NOTE.—The following review was written by Dr. Herbert C. Libby of Waterville and Pemaquid, who is retired from the faculty at Colby College.)

It is somewhat surprising and regrettable that wider publicity has not been given to the Government-produced book, called a "Research Paper," and authored by a member of the "International Studio Division, Institute for Defense Analyses," whose study at the Institute extended over several years or until the "Research Paper" was given a first printing of limited edition in July 1963.

The author states that he has had the advantage of "observing U.S. security from the vantage point of the White House staff, the Executive Office of the President, and the National Security Staff." As the subject matter deals chiefly with political relations of the United States and the Soviet Union the delicate relationship between these two countries is carefully and fully covered. With this background the author undertakes to set forth a new policy for the United States to follow based upon a serious search for "common actions for the control of conflict" between the two countries that would in the long run pave the way for world peace. Prefacing the enumeration of the ways and means to be employed to bring us to an era of peace, the author expresses the belief that the present status quo of the two nations offers a suitable time for seeking out the ways and means that would achieve the hoped-for end, but he makes clear that as a nation we must be fully prepared for war if it should be forced upon us.

Stating the policy in a few words it is that of disregarding any hope of ultimate peace by a dependence upon "coexistence," for this means nothing more than that two nations move along parallel roads with no sharing of mutual benefits, and resulting in no peace at all. The new policy would endeavor to change the two independent nations into two interdependent nations, held together by common interests and common benefits, with nuclear war eventually banned.

The strikingly important section of the book has to do with the suggested ways of bringing the two great nations together, and a list of 22 suggestions are set forth and fully examined. The reader is at once challenged by such a policy, and the challenge is even more compelling when one realizes that for a year or more, and quite without sensing it, our Nation has adopted this policy.

How many people there were who strongly urged that something be done when the bearded Castro walked across the waters and became the chief bugger of Khrushchev. But nothing was done until the invasion plan at the Bay of Pigs, and this was promptly checked by the President of the United States. Castro still carries on. We no longer need to remain mystified by the unusual situation; the proposed new policy fights shy of all possible wars.

The test ban treaty which was so stoutly fought in Congress and which was finally approved by a narrow margin, can also be found listed in the new policy.

The unexpected announcement that trade with the Soviet Union, long disallowed by the United States, is mentioned specifically in the 22 suggestions. The purchase of vast quantities of wheat by the Soviet Union is to be followed by a purchase of fertilizer.

The invitation extended to Khrushchev to join us in putting a man on the moon is part of the new policy but the invitation was not appreciated.

The letters exchanged between the President and Khrushchev which will probably not be published until the usual 10-year period elapses, were to be one effective means that would lead to ultimate peace.

The most anxious inquiry about the new President is whether he is to carry out this new policy. His predecessor, the late and widely lamented President Kennedy whose dedication to his country's welfare could not be questioned, based his last two addresses at the American University and the University of Maine on the contents of the book we are here discussing.

And if study is given to the state of the Union address by President Johnson, it will be seen that he sets forth not the 22 suggestions essential to the new policy, but 10, and among them is found trade relations with any and all nations, and even a further

mention of sharing in the contest of inhabiting the moon.

The question that all thinking citizens may well ask themselves is whether this new policy is the way to universal peace. The eminent author of the book here mentioned offers an exhaustive study and he believes it would.

HUMAN RIGHTS—A CHALLENGE

Mr. BEALL. Mr. President, as we approach consideration of the civil rights bill, I cannot help noting the progress which has been made internationally in the field of human rights.

On December 4, 1963, Mr. Jacob Blaustein delivered the Dag Hammarskjöld memorial lecture at Columbia University. Mr. Blaustein chose as his subject "Human Rights—A Challenge to the U.N. and to Our Generation," a field to which he has contributed greatly.

Mr. President, I think it is appropriate that we read Mr. Blaustein's remarks at a time when the Senate is about to make a determination on an important piece of human rights legislation.

I ask unanimous consent that Mr. Blaustein's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS—A CHALLENGE TO THE UNITED NATIONS AND TO OUR GENERATION

(Dag Hammarskjöld Memorial Lecture by Jacob Blaustein at Columbia University, New York City, December 4, 1963)

PROFOUND INTEREST OF SECRETARY GENERAL DAG HAMMARSKJÖLD AND PRESIDENT JOHN F. KENNEDY IN HUMAN RIGHTS

In one of my many talks with Dag Hammarskjöld, which I hold in precious memory, he accepted my invitation to address the 50th anniversary dinner of the American Jewish Committee of which I was chairman. We agreed that his topic should be human rights—the field to which we are directing our thoughts this evening.

In that address—so full of wisdom and understanding—he made a basic and fundamental statement. He said "We know that the question of peace and the question of human rights are closely related. Without recognition of human rights we shall never have peace, and it is only within the framework of peace that human rights can be fully developed."

Again, with reference to the method for the broadened attainment of human rights he said: "The United Nations cannot lay down the laws for the life within any national community. These laws have to be in accordance with the will of the people as expressed in the forms indicated by their chosen constitution. But just as the United Nations can promote peace, so it can, in joint deliberations, define the goals of human rights which should be the laws of the future in each nation."

Human rights are realized—either in their plenitude or often inadequately—within the confines of the national community. Among the legacies left by our late and lamented President Kennedy was his valiant struggle for civil rights. Said he, in his last speech from the forum of the United Nations on September 21, 1963:

"The United States of America is opposed to discrimination and persecution on grounds of race and religion anywhere in the world, including our own Nation. We are working to right the wrongs of our own country."

"Our concern is the right of all men to equal protection under the law—and since human rights are indivisible, this body can-

hamlets huddled around line elevators and the logging settlements in the towering forests on the rainy western slopes of the Rockies. It has been the story ever since, and if family allowances have proved one thing it is that parents who steal from their children are so rare as to be hardly worth mentioning.

Canada's police, schoolteachers, school attendance officers, the Children's Aid Society, and other welfare bodies, as well as family allowance investigators, watch constantly for children who are not properly clothed and fed and whose parents can be suspected of spending the treasury checks on themselves. Of the more than 2½ million families to whom these checks went regularly in 1961, there were 375—about one in 7,000—in which there was evidence of misuse.

What have the baby bonuses done for Canada? Children, even in the remote backwoods, no longer grow up unable to read or write. With the allowances coming in, all but a tiny fraction remain in school until they are 16, and by then they have been exposed to enough education to appreciate its value, and far more than ever in the past, complete high school. After that, a surprising number, among them youngsters from the very low-income groups, somehow manage to go to college. Would allowances reduce dropouts in the United States? The evidence suggests that they would.

Canada has discovered that the poorer a region is, the more the allowances accomplish. The country has chronically depressed sections where the poverty is comparable to that of the Appalachian coal mining districts. The children in those districts may not eat filet mignon, and they may have patches on their pants, but they no longer get rickets from malnutrition, and they no longer have to stay home from school because they lack shoes. Would family allowances be a blessing to distressed U.S. areas? My guess is that they would.

I wish I could report that Mackenzie King's baby bonuses had solved unemployment in Canada. Unemployment is still an enormous tragedy and worry there, as it is in the United States. Yet it can be claimed quite convincingly that but for the allowances, the situation would be worse than it is; and it can be argued the U.S. unemployment figures would improve if family allowances were adopted. In Canada it has been proved that family allowances stimulate the economy, and that the money they represent turns over fast. It has likewise been demonstrated that they cushion the impact of automation, even though it still hurts.

Today, the family allowance plan is universally accepted in Canada. All political factions endorse it and a party that condemned it would commit suicide. No legislation in Canadian history has been more popular. What would family allowances do for the United States? It would be worth a trial to find out.

OMAHA WORLD-HERALD SERIES ON MEAT IMPORTS WIDELY HAILED

Mr. HRUSKA. Mr. President, last week, in connection with my remarks on the critical situation facing the livestock and farm industries as a result of rising meat imports, there were printed in the RECORD at the request of this Senator the first two installments in a series of articles appearing in the Omaha World-Herald under the bylines of Howard Silber and Darwin Olofson.

This series has drawn widespread praise from all over America for focusing attention on this complex and urgent matter. The writers and World-Herald Chief Photographer Lawrence Robinson traveled thousands of miles and in-

terviewed scores of people in their research. The series represents in-depth reporting at its best.

It is required reading for anyone who wishes to understand this issue.

The last of the articles has now appeared and I ask unanimous consent, Mr. President, that the final six installments be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald, Feb. 18, 1964]

THE CATTLE CRISIS—IMPORT BEEF FILLS COOLERS, CUTS CALIFORNIA MARKET COST

(By Howard Silber and Darwin Olofson)

"Certainly we have foreign beef. I don't know any market that doesn't these days."

Wallace McCarty led a World-Herald reporter and photographer to the walk-in cooler in the rear of his small food market in Imperial, Calif.

"Here it is," he said. "We always get it this way—boned, frozen, in 60-pound cartons."

The lettering on the carton spelled: "Product of New Zealand."

"We've used this for hamburger for a couple of years. In the past I bought old bulls for the hamburger. No more. This is easier. Probably leaner, too," said Mr. McCarty.

"Don't get me wrong, though," he continued. "I'd go back to our own beef, but I can't. The competition won't let me. Everybody uses this stuff—the little fellow like me, the big chains. Everybody in California. Probably a lot of other places, too. And the big packers use it."

"This foreign stuff saves me some work because it's boned. It's a convenience to me. But the big market with a high overhead has a decided advantage in cutting down labor costs. It's helping the big fellow."

Ralph Marquez is a meat cutter at the Atlantic and Pacific Tea Co. supermarket in Calexico, Calif. On his midweek day off he works part-time in the Airport Market at nearby Brawley. He said:

"Imported beef? Everybody uses it. We do—at the A & P and in Brawley, too. And I've seen it in other chains. I've talked about it with other butchers."

"It's lean and it's got good color. It makes good hamburger."

SMALL JOBBERS STARTED IN THE FIFTIES

The Orange Empire Co-op of Riverside, Calif., is a major food wholesaler. It has a huge distribution center at Riverside and branches at Fresno, Bakersfield, San Diego, and Northridge, Calif., and at Las Vegas, Nev.; Silver City, N. Mex., and El Paso, Tex.

In addition to the thousands of food markets it serves, Orange Empire lists among its customers U.S. military installations, schools and a number of institutions.

And many restaurants buy from Orange Empire. In fact, the cooperative has 38 cash-and-carry stations where operators of small eating places can pick up provisions.

Orange Empire is a giant. And it has another distinction—it is the only American jobber which belongs to the Australian Meat Board.

Bill Purcell, the cooperative's meat and frozen-food buyer, told the World-Herald Orange Empire began importing beef fairly recently, adding:

"It was on the market out here. The small jobbers got into the field in the late 1950's and they had a good thing. They were charging nearly as much as the domestic product."

"We aren't a packer and meat wasn't our line. But we got into it to save our members money. And we did—about 5 cents a pound on the average."

DOCTORED WITH TENDERIZERS

Primal cuts—steaks and roasts—are largely from New Zealand.

"These," Mr. Purcell remarked, "are bought primarily by low-grade restaurants. They doctor them with tenderizers and seasoning and turn out a fairly palatable dish."

"I've barbecued some of the steaks myself. With a liberal sprinkling of tenderizers and a good hot fire you can eat them. But they don't have the flavor of a good corned American steak."

Mr. Purcell said grocers usually blend lean foreign beef with domestic plates and trimmings.

"This enables them to comply with State laws which dictate the proportion of lean meat in ground meat," he explained. "The boned beef also reduces labor costs."

"There's nothing unusual about this imported beef. The people Down Under tell us it's being used all over this country. They say there's 10 times as much on the east coast. It's become an accepted part of the business in the last few years."

Why the last few years?

The door was unlocked in 1947 when the duty on frozen, chilled and fresh beef was reduced from 6 cents to 3 cents a pound.

But the immediate effect of this change was slight. The principal reasons were a ban on imports of uncooked beef from many Latin American countries because of foot-and-mouth disease and a trade agreement which dictated that most beef and veal exported by Australia and New Zealand had to go to the United Kingdom.

IRELAND EXPORTS UP TENFOLD

The agreement was modified in October 1958, and the door burst open. Now about 82 percent of the vast quantity of beef and veal exported by Australia is shipped to the United States. And most of New Zealand's exported beef reaches markets here, too.

Beef from other foreign sources has joined the parade. Imports from Ireland have risen approximately 1,000 percent in 10 years. Mexico is shipping more beef across the border, some of excellent quality.

Low taxes and land and labor costs enable these countries to pay the 3-cent-a-pound duty and still undersell the U.S. product. And in many cases American capital, experience and breeding stock are helping to boom the cattle industry abroad.

The U.S. market is so inviting that, according to Senate testimony in the Bobby Baker case, the Haitian-American Meat & Provision Co. of Port-au-Prince last November was still paying the former secretary to the Senate majority a commission on every pound of meat it exported to the United States.

The reason given in the testimony: Mr. Baker helped the firm receive sanitary approval from the U.S. Department of Agriculture.

[From the Omaha World-Herald, Feb. 19, 1964]

THE CATTLE CRISIS—BIG-MONEY PEOPLE OF UNITED STATES BUILD AUSSIE BEEF BOOM

(By Howard Silber and Darwin Olofson)

A case of matrimony is building the beef boom Down Under.

An Australian source in Washington told the World-Herald about it:

"In just the past 4 or 5 months the Australian Government has received at least 20 inquiries from American cattlemen or cattle interests about the possibilities of ranching in Australia."

"There seems to be a lot of interest."

"Big-money people from the United States are in Australia already—the King Ranch of Texas, the Kern County Land and Cattle Co. of California and other American giants."

"It's a marriage—a marriage of Australian land and other resources with American capital, experience and resourcefulness."

One result of the marriage has been an astronomical increase in Australian beef imports to the United States. Last September alone, nine ships left Australian ports carrying to the United States 27,301,120 pounds of beef, 403,200 pounds of mutton, 51,520 pounds of lamb and 24,640 pounds of variety meats.

The U.S. cattle market reacted predictably to this onslaught of cheap foreign beef. Domestic prices dropped, as they had been dropping for months.

And 1963—which saw Australia ship nearly half the record 1,750 million pounds of beef imported by the United States—may be just the beginning.

FIRST GEAR

"The Aussies haven't even shifted into second gear where cattle production is concerned," said C. W. McMillan, of Denver, Colo., executive vice president of the American National Cattlemen's Association, who returned recently from an extensive inspection of Australian and New Zealand beef production and study of export prospects.

"In Australia," he told a World-Herald reporter, "only about 25 percent of the potential has been achieved. They've got more than 13 million head of cattle now—for a human population of 12 million.

"And, with American investors and experienced cattlemen taking a hand, they are beginning to apply American management techniques."

Mr. McMillan said an American firm took over a cattle station (ranch) which the previous year had a death loss of between 26,000 and 27,000 head. The firm, he went on, "cut the death loss to a fraction." Then, whereas only 40 percent of the cows had calved previously, 70 percent calved under the new techniques.

The calves-to-cows ratio in the Nebraska Sand Hills is normally about 90 percent.

ENTICEMENTS

"On that particular station," he continued, "it formerly took a man a full week to check the wells—the Australian term is bores—making the rounds in a truck. Now he uses an airplane. He can visit every well in a day. Obviously, the cattle aren't dying of thirst the way they used to."

Australian land costs run as low as 11 cents a head a year, said Mr. McMillan. "In the United States a conservative minimum is \$25 in land costs for every calf born."

The Aussies offer a Texas-size welcome to the American cattlemen. The reasons are obvious: Australia wants to develop the vast reaches of its outback, increase its population, and boost its economy.

An Australian source in Washington listed some of the enticements to rural development to the American cattleman:

Very rapid depreciation allowed against taxes. For example, fencing for control of dingoes, which are fierce wild dogs, and other pests, and such other improvements as earthen dams can be wholly depreciated the year they are built.

Certain farm machinery has a 5-year depreciation schedule. In addition, an extra year of depreciation can be claimed. Thus, 120 percent of the cost can be written off.

Individual States provide long-term, low-interest loans for water-supply developments, irrigation improvements and the like. Queensland will pay the entire drill costs of a well if it turns out to be dry or produces poor water.

The Commonwealth Development Bank helps farmers and cattlemen by making highly attractive loans on properties with good development prospects.

There are no restrictions on the transfer of pounds sterling to dollars. As a result, American cattlemen can get their money out.

Much of the ranching country is leasehold land, with terminating tenure. A leasehold may be for 30 years. Or it could extend 50 years or more if it is thought that a longer development period is necessary. In effect, the leasehold land is rented from the Government. This can be an advantage because it holds down the rancher's capital outlay.

And where the size of the spread is concerned "the sky's the limit," an Australian agricultural expert said. Cattle stations which cover 1,000 or 2,000 square miles "are not unusual," he declared.

BARRIER?

He told why his country is anxious to attract Americans:

"If the land is valued at 50 cents an acre the Australian rancher usually doesn't see any point in spending, say, \$10 an acre on improvements.

"But along comes one of your countrymen. He looks at the land in terms of what he figures it can produce—and in view of what comparable land back home is worth. He determines it is worth spending \$10 an acre or more on improvements.

"There's no mental barrier there."

The Australian discussed the 40-percent rate mentioned by the American National Cattlemen's Association executive.

"Yes," he said, "it does drop to 40 percent in the northern territory because of drought, breeding diseases, ticks, dingoes and other causes."

American cattlemen say they would probably go broke with a rate that low.

But, low as it is at times, the Australian calving rate is increasing that continent's beef production. And if the volume of beef imports from Australia continues to increase, many American cattlemen say they will go broke.

[From Omaha World-Herald, Feb. 20, 1964]

THE CATTLE CRISIS—CHOICE GRADE MEXICO BEEF NOT "TASTY" TO U.S. FEEDERS

(By Howard Silber and Darwin Olofson)

Big things are happening in the beef business south of the border.

And the Mexican accomplishments and ambitious plans are not calculated to ease the lot of the imports-plagued U.S. cattleman—unless, of course, he has financial interests in Mexico. A few do.

Andres Trevino, a tall, handsome engineer who has gone into the cattle business, squinted into the sunshine which burned through the dust at the Armando Gallego Feedlot at Pascualitos, Baja, California, Mexico.

Before him, eating hungrily, were thousands of cattle. Many were nondescript range animals, gray or tawny. There were some old steers and bulls towering above the rest. Here and there was a stately Brahman.

But Senor Trevino ignored these animals. He pointed to a distant pen.

"Come," he said to a World-Herald reporter and photographer, "let's look."

Busy at the feed bunkers in the large pen were some familiar animals—Herefords, fat and sleek heifers.

"This is more like it," said the Mexican proudly. "These will go today to a packing plant at Tijuana. In a few days the meat will be in Los Angeles markets. These animals will grade U.S. Choice."

MOST CHOICE

Unconcerned, the Herefords ate on. Joe Feffer, Brawley, Calif., feeder and cattle buyer, examined the ration. "Alfalfa, barley, cottonseed meal, cottonseed hulls, barley straw and a touch of corn," he said. "Not bad."

"We are improving all the time," said Senor Trevino. "The other day we slaughtered a load of 100 cattle. Eighty-six were Choice."

Senor Trevino manages the Mexican branch of the Imperial Cattle Co., Imperial, Calif. He told how that firm is working closely with the Banco Nacional de Credito Agricola—the National Farm Credit Bank of Mexico—"to improve the cattle industry of my country." He went on:

"We have big feedlots and packing plants. We plan more of both. We are trying to open new markets, and the United States has tremendous possibilities for us. We already ship meat to many States."

Senor Trevino listed the locations of the major feedlots his firm had helped build or was operating:

Matamoros, Tamaulipas; Torreon and Villa Acuna, Coahuila; Jiminez, Chihuahua; Tecoman, Colima; La Concha, Jalisco; Compesteia, Nayarit, and Carbo, Sonora.

Packing plants functioning under the program are at Villa Acuna and Torreon and at Manzanillo, Colima.

James Delfino, Imperial's president and an almost legendary figure in the west coast cattle business, is Senor Trevino's boss. Mr. Delfino is the man who 5 years ago converted a steamship into a floating feedlot and brought 1,700 head of Australian cattle to the United States by way of San Diego.

U.S. MONEY

"Sure," said Mr. Delfino, "we plan six more feedlots and enough packinghouses to handle the cattle—one packinghouse at Mexicali and two or three others.

"We're building the feedlots for the Mexican Government. We're helping in every way we can.

"One thought of the Mexican Government is to improve the land and get away from a cotton economy. We hope to raise every bit of feed in irrigated areas and improve the soil at the same time."

Mr. Delfino, who is almost never seen in a business suit—his usual clothes are a Stetson, shirt, Levis, and Western boots—said some \$50 million in American capital, provided by "a number of U.S. banks," is helping to finance the Banco Agricola feedlot-packinghouse program and allied sheep projects.

"We—the Imperial Cattle Co.—guaranteed \$9 million in loans the first year," he told the World-Herald.

Mr. Delfino discounted the potentially deleterious effects of the program on the U.S. cattle industry, commenting:

"We plan to use a great deal of this meat in Mexico. Our idea is to improve the quality of the beef for the tourist trade—which is Mexico's biggest business. These tourists are demanding better meat.

"We're going to give it to them."

What about the surplus beef?

"It will go on the world market. We've got an order from Israel for 2,000 tons of forequarters. Spain wants to buy 10,000 tons. There's a big demand."

U.S. TOP MARKET

Reminded that these are relatively small quantities and that virtually every country except the United States has a beef import quota, Mr. Delfino conceded:

"Certainly the United States is the biggest and the best market. There's no question of that. We'll sell where we can."

Senor Trevino had said earlier the carcasses of the Hereford heifers he was so proud of were to be trucked to the Modern Meat Co. plant at Norwalk, Calif., a Los Angeles suburb. He identified Modern Meat as a Delfino enterprise.

Mr. Delfino, who said his firm also has a cattle ranch in Nevada and farms near Bakersfield, Calif., had returned to the United States from Australia the day before he was interviewed by the World-Herald. He said he had arranged for shipments of live sheep to be used to improve the quality of Mexican flocks.

He commented on the cattle situation in Australia:

"It's a big thing and getting bigger. They're raising a lot of cattle and exporting a lot of beef.

"And there's another thing—Australia is beginning to develop a cattle feeding industry. I'm considering getting into the cattle business down there myself."

[From the Omaha (Nebr.) World-Herald, Feb. 21, 1964]

THE CATTLE CRISIS—U.S. SORGHUM HELPS BREAK OUR FEEDERS—FED MEXICAN CATTLE TO AID MEAT QUALITY—GRAIN SHIPPED SOUTH RETURNS AS MEAT

(By Howard Silber and Darwin Olofson)

A long railroad bridge spans the Rio Grande to connect Laredo, Tex., and Nuevo Laredo, Mexico. The bridge is a principal shipping link between the United States and Mexico.

Several times a day long freight trains move southward on the bridge. Many of the boxcars contain grain.

A great deal of grain went south last year. The U.S. Department of Agriculture reported that 7,630,017 bushels of corn were shipped to Mexico by the Commodity Credit Corporation on a 3-years-to-pay basis. The interest rate was 4½ percent.

The corn was intended for human consumption. And the tortilla, a basic food in Mexico, has cornmeal as its principal ingredient. An investigation by the World-Herald turned up no indication that substantial quantities of corn were misapplied—fed to livestock, for example.

But from October 1962 through September 1963 a total of 6,879,00 bushels of grain sorghums rolled southward across the border. Of that amount, 388,521 bushels were exported on a credit basis—a private exporter was given 12 months credit by the CCC at 4 percent interest. Presumably, he could extend similar credit terms to his Mexican customers.

MILO FROM UNITED STATES

Grain sorghum—milo, if you please—is not regarded as edible by humans. But milo is a good livestock feed, nearly as good as corn.

Milo maize is often seen in feedlots in Mexico—feedlots in which cattle are being fattened so that their meat will be more acceptable and will bring higher prices on the U.S. market.

Agriculture experts say Mexico produces only negligible quantities of grain sorghums and most, if not all, of the domestic product goes into chicken feed.

Thus, the principal source of milo for cattle being grainfed in Mexico is the United States. Kansas and Missouri are big shipping points.

"You bet they're using it; you can go into feedlots across the Rio Grande where they're trying to fatten cattle and you'll find milo, a lot of it," declared Bill Martin of Laredo, a buyer for the Producers Livestock Marketing Association.

"And you know full well where they're getting that milo—it's coming right from this side of the border.

"They're using U.S. milo and, with it, they're helping break our own feeders."

[From the Omaha World-Herald, Feb. 22, 1964]

THE CATTLE CRISIS—BEEF STATES, NATION GROGGY FROM PUNCH OF LIVESTOCK LOSSES—WORK GIVES FEEDER ONLY FEARS, DEBTS—BANKER SAYS IMPORTS PLUMMET PRICES

(By Howard Silber and Darwin Olofson)

The raising of cattle for beef is the backbone and much of the heft of American agriculture.

More than half the farms of the United States have beef cattle or calves. These

animals use more than 1 billion acres of land and consume more than 70 percent of the total tonnage of all harvested crops.

In 1958, the cash return to producers from cattle and calves was higher than the combined sales of all six basic field crops—wheat, corn, cotton, tobacco, rice and peanuts.

THE BEEF SCORE

Of 1,087 million pounds of beef and veal imported by the United States during the first 8 months of 1963, a total of more than 858,300,000 came from Australia, New Zealand, Ireland, and Mexico.

The January-August breakdown, carcass weights in pounds, according to the country of origin:

Australia.....	466,200,000
New Zealand.....	259,400,000
Ireland.....	68,200,000
Mexico.....	64,500,000

Only Argentina rivals the United States in the proportion of gross agricultural income derived from beef cattle.

But the beef-cattle industry is in trouble. Few cattlemen realized a profit in 1963. The 1964 outlook is no better, possibly worse. The situation poses a serious threat to the economy of the cattle industry States—which means most of the United States—and to the Nation itself.

The Omaha National Bank takes pride in the fact that it lends more money on cattle than any other U.S. financial institution. Said John M. Shonsey, vice president and expert in the field of agricultural finance:

"I blame beef imports. They have knocked down prices—at least they've been the major contributing factor."

CRITICAL

"The situation is critical for the farmer-feeder. He has lost a good part of the working capital he accumulated during the past 5 years. To restore this working capital he has had to increase the mortgage on his farm—to run up a heavy debt.

"A continued downtrend will force many feeders out of business because they will not have any operating capital or any credit.

"Because of the large numbers of cattle in the United States, continued large-volume imports will mean, for those able to stay in business, a substantially reduced standard of living. They will buy less and they will pay less in taxes."

Mr. Shonsey said merchants in small communities, truckers and others who cater to cattlemen are feeling the slump already "because of the inability or reluctance of farmers to spend money."

He said the large feeder who operates with thousands of cattle "can't go through another year with prices at the same level," and added:

"He may have to reduce his operation to the point where he becomes a farmer-feeder—down to 200 or 300 cattle—because of his reduced capital."

The rancher is only a little better off.

"But he, too, is living off his earnings and savings of past years," said Mr. Shonsey.

"The cities are going to feel the slump soon—then the entire Nation."

Mr. Shonsey's analysis is widely supported—by cattlemen, other bankers, economists. These were interviewed by the World-Herald:

Dr. Everett Peterson, University of Nebraska agricultural economist: "No one is making money on cattle. Where expenditures can be postponed, they are being postponed. And this is beginning to show up in trade. By the end of this year there will be a widespread slump if cattle prices do not improve."

A. A. Kruse, executive vice president, First State Bank, Audubon, Iowa: "They're losing money or, at best, breaking even. And you go broke breaking even. Farm mortgages have been increasing. People are buying less.

This is going to be a rough year for retailers."

Darrell Jensen, Hamlin, Iowa, farmer-feeder: "I bought a new pickup in December 1962, and a bigger tractor the following month. I couldn't buy either now. I'd like to have a new grinder-mixer. The implement dealer on the highway has a dandy. It would cost \$1,200 with my trade-in. I'm going to hang on to that \$1,200."

Raymond Merk, Audubon, Iowa, grain elevator owner and livestock feeder: "Some of the boys are having a hard time making payments now. Even the best operators are dipping deep into their reserves. It's not good."

Charles Hunt, Atlantic, Iowa, a large feeder: "I lost money in 1963. There's no hope for a substantial recovery this year and it could very well be worse. I bought little or no equipment at the end of 1963. I didn't need the depreciation for tax purposes because of poor business. By the way, Atlantic was without a Ford dealer 4 months. We're usually a pretty prosperous city."

J. J. O'Connor, president, Walnut Grove Feed Co., Atlantic, Iowa: "The feed business is down."

Harold Larsen, Atlantic, Iowa, farm implement dealer: "We couldn't survive on the implement business, it's so poor now. We're just lucky we're near the Interstate Highway and have a good truck service business."

Gordon Johnson, Waco, Nebr., farmer-feeder: "I lost money in 1963. I don't have high hopes for this year. I'm standing still on all my purchases. I'm not going to buy anything until I begin making money again."

L. V. Peterson, agricultural representative, First National Bank, York, Nebr.: "Most feeders are losing money on every head. We're going along with them, as far as we can."

Herman Tietmeyer, York, farmer-feeder: "It's been bad, real bad. The small fellow isn't likely to make it."

L. M. Stuckey, president, Lexington (Nebr.) State Bank: "The slump is here. Our retailers are feeling it. The lumber dealers are hurting. Nobody is modernizing, improving. And you find younger farmers anxious to leave the farm and get a salaried job."

Paul Givens, Lexington, Nebr., farmer-feeder: "I'm cutting down. It's a bad situation."

Pete Graff, president, McCook (Nebr.) National Bank: "Every cattle feeder has been hurt. The results are evident; our retail business here is down."

Les Horn, partner, West Sale Barn, McCook, Nebr.: "At least 50 percent of the men around here who usually feed cattle are not feeding at all. Everybody's feeling it."

Leonard Burch, board chairman, First National Bank, Greeley, Colo., and a former president of the Intermediate Farm Credit Bank of Omaha: "Our people are being ruined. Conditions are as bad as they've been in 17 years."

Martin Domke, Greeley, Colo., large feeder, first president of the Colorado Cattle Feeders Association: "The best I can possibly hope for this year is to break even."

Francis M. Petersen, vice-president, Denver U.S. National Bank: "There are going to be a lot more failures in the livestock industry. The stock grower has exhausted his margin and is raising money on his capital assets. The feeder is worse off."

Dave Wilhelm, Rocky Ford, Colo., feeder: "I've had three losses in a row."

Tom Cooper, Fort Morgan, Colo., feeder: "I haven't made any money in 13 months. Where will it end?"

Aubrey Grauskay, Phoenix, Ariz., feeder, board chairman, Arizona Cattle Feeders Association: "The loss we're taking is a cash loss, not an anticipated or paper loss. If the direct loss—not including overhead and

other factors—is \$25 a head, we think it's an easy loss. That's how bad it is."

Floyd Urling, Indianola, Nebr., grain elevator owner: "Another year like 1963 and 90 percent of the small fellows around here will have to quit feeding cattle."

[From the Omaha (Nebr.) World-Herald, Feb. 23, 1964]

THE CATTLE CRISIS—TWO DIFFICULT ROUTES LEAD TO RELIEF FOR BEEF INDUSTRY

(By Howard Silber and Darwin Olofson)

What can be done about the beef imports which are ravaging the Nation's cattle industry, threatening the economy of its livestock-producing areas and undermining American agriculture?

There are two ways to a solution:

Legislation by the Congress.

Joint action by the Federal Tariff Commission and President Johnson.

Action has been started in Congress, in the wake of an aroused public opinion, which swept across much of the Nation last week. Article 1, section 8 of the U.S. Constitution gives Congress the authority to "regulate commerce with foreign nations."

Senators and Representatives from cattle States were virtually unanimous in their belief that the voluntary agreements executed with Australia and New Zealand will do little to shore up sagging cattle prices.

BIPARTISAN ACTION

Senators of such ordinary diverse political viewpoints as Majority Leader MIKE MANSFIELD of Montana and Republican BOURKE HICKENLOOPER of Iowa are cosponsoring a bill to roll back beef imports to the 1959-63 average.

Nebraska's ROMAN HRUSKA plans to offer an amendment to pending wheat and cotton import-restricting legislation. The Nebraskan would add beef to the bill.

Other Senators and a number of Representatives have introduced bills to protect the domestic cattle industry from price-crashing imports.

The Tariff Act provides for Presidential action.

An industry group, company, labor union, or the like—or the Senate Finance Committee, House Ways and Means Committee or President Johnson himself—can ask the Tariff Commission to determine to what extent the imports are hurting the cattle industry.

In order to impose quotas, increase the tariff or apply a combination of both, the President must have a Tariff Commission determination that the domestic industry is in trouble. He must also have a recommendation for action.

The Senate Finance Committee has asked the Commission to study the effects of beef imports. A report is due by June 30.

But this was simply a request for information, not for a finding and recommendation to the President.

THE BARRIER: INERTIA

Both routes to relief for the cattle industry are open. But they are rocky and rough.

The most treacherous barrier is inertia.

A congressional committee staff expert emphasized this strongly Saturday. He declared:

"I believe there is a hope on the part of the administration that, given a little time, this will go away—that the present storm of protest from the cattle States will die out.

"A minor, temporary increase in the price of cattle might do it. Or time itself would permit them to shove the problem under a rug.

"This should not be permitted to happen."

He pointed out that cattle States legislators on both sides of the aisle "are all riled up about the voluntary agreements with

Australia and New Zealand and the need for more effective import restrictions.

"We've got to keep them that way, or we're lost," he said.

If the storm does die down, much of the cattle industry will die with it.

A tariff expert told the World-Herald there is no industry petition before the Tariff Commission for an investigation of the deleterious effects of beef imports on the cattle industry.

"Obviously, this is needed if there is to be a formal investigation. And it is needed now," he said.

There is still another possibility, a bit forlorn perhaps, in view of the administration's apparent pride in the voluntary agreements concluded with Australia and New Zealand, but still a possibility.

IT'S A POSSIBILITY

If the administration were to count noses on Capitol Hill and discover that legislation providing for beef import restrictions could be enacted, the State Department would be driven back to the negotiating table and agreements satisfactory to the cattle industry might result.

Representative W. R. POACE, of Texas, ranking Democrat on the House Agriculture Committee and chairman of the Livestock Subcommittee, has called the present voluntary agreements inadequate and has suggested a round of horsetrading.

"I think we ought to get more and can get more," he told the World-Herald.

Most others in the House and Senate are less optimistic about voluntary agreements. They believe the legislative route is the best and that the Tariff Commission should be tried, too.

Senator MANSFIELD introduced his bill almost immediately after the voluntary agreements were announced.

He called the State Department action "a small step—a very small one—in the right direction. But it is not enough."

Cosponsors of the Mansfield bill in addition to Senator HICKENLOOPER are Senators JACK MILLER, Republican, of Iowa, LEE MERCALF, Democrat, of Montana, MILTON YOUNG, Republican, of North Dakota, QUENTIN BURNICK, Democrat, of North Dakota, and GEORGE MCGOVERN, Democrat of South Dakota.

Senator MILLER called the Mansfield bill "a far better solution" to the problem of beef imports than voluntary agreements.

Senator HRUSKA termed the agreements a "surrender."

MUCH TOO LIBERAL

Senator SPESARD HOLLAND, Democrat, of Florida, member of the Senate Agriculture Committee and chairman of the Senate Agricultural Appropriations Subcommittee, told the World-Herald:

"It seems to me that the people in charge of making the agreement—notably the State Department—were much too liberal with our competition. It was nothing like a satisfactory reduction of the present stepped-up volume."

Representative CHARLES HOEVEN, of Iowa, top Republican on the House Agriculture Committee, told the World-Herald the agreements were "just a gesture." He added: "The responsibility is on President Johnson. He can do something about it if he wants to."

Senator KARL MUNDT, Republican, of South Dakota, member of the Agricultural Appropriations Subcommittee, told the World-Herald the agreements are worse than nothing because they tend to freeze a situation that is very, very serious. He called for import quotas.

Senator STUART SYMINGTON, Democrat, of Missouri, called for positive steps, including continued negotiations by the State and Agriculture Departments. He suggested

Tariff Commission action if the negotiations do not bear fruit. He also called for labeling of foreign meats at the point of sale to the consumer.

Representative BOB DOLE, Republican, of Kansas, a member of the Agriculture Committee, told the World-Herald, "It's more important than ever" that Congress act on imports-limiting legislation.

Senator CARL CURTIS, Republican, of Nebraska, demanded both a tariff increase and quotas, but pointed out this would require bipartisan action in Congress. In addition to beef, he called for limitations on imports of other livestock "and all other agricultural commodities."

"IMPOSE EMBARGOES

Representative BEN JENSEN, of Iowa, top Republican on the House Appropriations Committee, told the World-Herald the United States should "impose embargoes on meat imports up to a certain limit, just as every nation on earth embargoes against us."

Representative GLENN CUNNINGHAM, Representative, of Nebraska, has joined a number of House Members in urging Representative WILBUR MILLS, Democrat, of Arkansas, chairman of the House Ways and Means Committee, to hold hearings on legislation to increase tariffs when imports are excessive. However, Mr. CUNNINGHAM said quotas may be "a more practical and immediate remedy."

He charged that "the administration is responsible for these imports and, because they will do nothing about it, I think legislation is the only answer to force some action."

Representative RALPH BEERMANN, Republican of Nebraska, said he had hoped the voluntary agreements would provide relief, but instead the administration "sold the largest segment of agriculture down the river." He said legislation is mandatory.

Representative DAVE MARTIN, Republican, of Nebraska, said he wants legislation to "severely limit" imports.

In Nebraska, Governor Morrison insists the President has "no authority" to impose effective restrictions against imports. He called for legislation.

Asked if President Johnson should ask for legislation, Mr. Morrison replied:

"No, the people should demand it."

THE CAUSE: IMPORTS

Fred A. Seaton, Hastings, Nebr., publisher, who was Interior Secretary in the Eisenhower administration, called for "action right now—not tomorrow or next year."

He said the voluntary agreements are "absolutely worthless. At the very best they keep the cattle industry on the ropes. At the worst they throw the industry over the ropes."

"The President has the inherent power to take care of this important problem," said Mr. Seaton. "If he needs help from Congress, he has democratic control of both Houses."

Both the National Livestock Feeders Association and the American National Cattleman's Association are attacking the voluntary agreements. Both organizations want import quotas.

John M. Shonsey, vice president of the Omaha National Bank and a nationally recognized authority on cattle industry financing, diagnosed the cattle industry sickness:

"The industry is in serious trouble because of beef imports.

"There have always been cycles, ups and downs, but the industry has always recovered, responding to the law of supply and demand—up to now.

"The industry could still operate under the law of supply and demand provided the Government didn't allow—and encourage—big imports of beef."

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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HIGHLIGHTS: Senate debated cotton-wheat bill. Sen. Randolph criticized beef import agreement with Australia and New Zealand. Sen. Gruening suggested cutting off Public Law 480 aid to Egypt. Sen. Kuchel urged enactment of legislation to clarify Federal-State water rights.

SENATE

1. COTTON; WHEAT. Continued debate on H. R. 6196, the cotton-wheat bill (pp. 3821-33, 3835-59). Sen. Hruska spoke in support of the amendment he intends to propose to the bill to impose import quotas on fresh, chilled, and frozen beef, veal, mutton, and lamb, and debated the merits of the proposal with other Senators (pp. 3843-51). Sens. Ellender, Simpson, and Tower submitted amendments intended to be proposed to the bill (p. 3804).
2. BEEF IMPORTS. Sen. Randolph expressed concern over the effects of beef imports, stated that the voluntary beef import agreement with Australia and New Zealand was a limited step and "is not enough," and had his name added as a cosponsor of S. 2525, to establish a quota system on beef imports based on averages compiled over the 5-year period ending Dec. 31, 1962. p. 3815
3. PUBLIC LAW 480. Sen. Gruening commended the President's announcement that the U. S. was "ready and willing to aid all the nations in the Middle East - both the Arab countries and Israel - to develop their vitally needed water resources," criticized Egypt's attack on the announcement, and stated that the law authorizing the President to cut off foreign aid and Public Law 480 assistance to any country using that aid to prepare for or to carry out aggression either against

the U. S. or nations aided by the U. S. was "clearly applicable to Egypt's Nasser and to Indonesia's Sukarno." pp. 3807-11

4. WATER RIGHTS. Sen. Kuchel urged enactment of S. 1275, to clarify the water rights of the Federal Government and the States, and inserted a letter by the minority counsel of the Senate Interior and Insular Affairs Committee reviewing provisions of the bill and certain problems involved. pp. 3805-7
5. ECONOMICS. Sen. Proxmire inserted several reviews of Rep. Reuss' book, "The Critical Decade: An Economic Policy for America and the Free World." pp. 3811-3
6. ADMINISTRATIVE PROCEDURE. Received from the Judiciary Committee a report "Administrative Practice and Procedure" (S. Rept. 929). p. 3802
7. EDUCATIONAL EXCHANGE. Received from the U. S. Information Agency a proposed bill "to amend further the U. S. Information and Educational Exchange Act of 1948"; to Foreign Relations Committee. p. 3802
8. MINING STABILIZATION. Received from Interior a report on the lead and zinc mining stabilization program. p. 3802
9. RECESSED until Mon., Mar. 2. p. 3863

HOUSE

10. APPROPRIATIONS. The Appropriations Committee voted to report H. R. 10199, the D. C. appropriation bill for fiscal year 1965. p. D151
11. NATIONAL PARKS. The Subcommittee on National Parks of the Interior and Insular Affairs Committee voted to report to the full committee H. R. 946, with amendment, to authorize the establishment of the Fort Bowie National Historical Site, Ariz.; H. R. 5872 and H. R. 5886, relating to the establishment of concession policies in areas administered by the National Park Service; and H. R. 5796, H. R. 5873 and H. R. 5887, to authorize the Secretary of the Interior to guarantee loans which are part of concessioner investments in facilities and services in the National Parks. p. D151

ITEMS IN APPENDIX

12. PRICES.. Extension of remarks of Sen. Morton charging that special interest merchandisers, benefiting from the "present chaos of the American retail market," are campaigning to defeat the quality stabilization bill. pp. A981-2
13. MEAT IMPORTS. Extension of remarks of Rep. Berry inserting a telegram from the S. D. Stockgrowers Association charging that the meat import agreement with Australia and New Zealand "would be disastrous to the cattle industry of South Dakota." p. A983
14. LUMBER STANDARDS. Speech in the House by Rep. Roosevelt discussing the criticism of the American Lumber Standards Committee and urging a thorough examination of the proposed change in lumber standards. pp. A985-8

These numerous honors in themselves are a collective testimonial to JOHN FOGARTY's extensive and progressive work over the years for the physical and mental health of the country. The great progress that has been made in the many levels of these complex fields is due in great part to the legislation, the appropriations, the research programs that Mr. FOGARTY has backed.

The Visitor salutes him as an outstanding American, a dedicated Congressman, a man who has brought great honor to our State, a man whose true contribution to America's health can only be fully assessed in the light of history.

WEST VIRGINIA, APPALACHIA LIVESTOCK INDUSTRIES FEEL EFFECT OF EXCESSIVE BEEF IMPORTS

Mr. RANDOLPH. Mr. President, livestock producers in West Virginia and in all parts of our Nation, have noted with alarm the large quantities of beef and veal which are being exported to the United States by other countries—notably Australia and New Zealand.

These livestock-producing lands of the Southern Hemisphere provide approximately 80 percent of our imports of fresh and frozen beef and veal. In 1962, Australia shipped into the United States, 442 million pounds of beef and veal, and last year the figure rose to 517 million pounds. New Zealand exported 214 million pounds of beef and veal to American markets in 1962, and the amount reached 244 million pounds last year.

It is obvious that such wholesale flooding of our meat markets by foreign producers works inequity and economic hardship on domestic cattlemen. Local sources are hard pressed to meet the competition of cheaply priced livestock from outside our borders, and dire predictions as to the impact of continued high import quotas continue to issue from the leaders of our livestock industry.

The February 22, 1964, issue of the *Drovers Journal*, a respected and widely read Chicago, Ill., publication carried the following report under the heading "Trend in Livestock Prices":

The price decline in the steer market which has prevailed almost without interruption since the forepart of January dropped the general level of prices during the past week to the lowest point since March 1957.

At the same time, with the extremely narrow price spread, the steer top was the lowest for any week since the fall of 1946 when OPA wartime price controls were still in effect.

The voluntary agreement recently concluded between the United States and Australia and New Zealand was consummated in the hope of alleviating the damaging meat import problem. Unhappily, this limited step is not enough.

Under provisions of the agreement, New Zealand and Australia will, in 1964, hold exports to a level equal to the average recorded in 1962 and 1963. An increase of 3.7 percent will be allowed in 1965 and an additional 3.7 percent in 1966, to compensate for expansion in the American market. These restrictions will hold "so long as Australia's access to the U.S. market for beef, veal, and mutton is not limited by an increase in the duties of these products." The agreement is of indefinite duration, to be re-

viewed every 3 years, and cancelable by either party after 6-months notice.

Mr. President, although this agreement does apparently represent some limitation on the importing of foreign meat, in my judgment, it falls short of a solution commensurate with the needs of the American livestock industry. This Nation has in the past extended to producers from other lands considerable freedom of entry into our meat markets. We cannot afford, however, to pursue such a policy to the detriment of domestic interests.

West Virginia does not rank among the national leaders in livestock production. Nevertheless, the growing of animals for meat production purposes does represent a significant portion of our economy—particularly important in a State which is attempting to revitalize its commercial and industrial base. And, it is instructive to note that the effect of the vast flood of imported meats has been felt to a marked degree in the Mountain State.

As of January 1, 1964, the Statistical Reporting Service of the U.S. Department of Agriculture indicates that the total number of cattle, sheep, and hogs on West Virginia farms has decreased 5.3 percent from the previous year, and is 12.5 percent below the 5-year—1958-62—January 1 average. The inventory value per head was likewise down, showing an average decrease of \$12 per head. The inventory value of all cattle as of the first of this year was placed at a worth which represents a drop of 12 percent over last year, and reflects the sharp decrease in cattle prices experienced nationally during the latter part of 1963. Cattle numbers also shrank to the lowest inventory number recorded since 1931.

In its February 24 bulletin the U.S. Department of Agriculture Statistical Reporting Service goes on to indicate that in 1963 West Virginia recorded a 2-percent decrease over the previous 12 months in number of calves born, while in the same period the national average rose 2 percent. The West Virginia calf crop also lagged 2 percent behind the production rate for the 5-year period 1957-61.

It is especially unfortunate that the impact of foreign meat imports should be experienced at this time in Appalachia—a region singled out by President Johnson as requiring all-out support and attention in the drive to eliminate poverty. In an area which has taken the full force of automation and has known the rigors of job-displacement and unemployment, the consequences of this unfavorable balance of trade is patently unacceptable. Our efforts must be directed toward a stabilizing and a rejuvenating of the economy in West Virginia and throughout Appalachia. We must not permit the harmful effects of foreign imports to be felt in a part of our country where there already exist severe hardships and challenges to the farmer, the small-businessman and the consumer.

Mr. President, we can no longer invite foreign meat producers to participate in an open-house American market when their activities bring financial ruin to our own domestic industries. While I do not advocate the institution of higher tariffs

and strict import quotas as the sole, or even the most satisfactory, solution to this problem, it appears evident that speedy legislative action is required.

For these reasons, I ask unanimous consent that my name be added as a cosponsor of S. 2525, a bill to establish a quota system on beef imports based on averages compiled over the 5-year period preceding December 31, 1962.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RANDOLPH. This measure, introduced by the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], offers a realistic and appropriate approach to the threat of excessive foreign meat imports.

ANNUAL SCIENCE TALENT SEARCH

Mr. MCGOVERN. Mr. President, presently, in Washington, the 23d Annual Science Talent Search for the Westinghouse Science Scholarships and Awards ceremony is being held at the Statler Hotel.

Last evening this group was honored at a congressional dinner at the hotel. This is an outstanding annual event and certainly merits the consideration and support of this body.

I especially want to take this opportunity to congratulate Lee R. Girton Snyder of Huron, S. Dak., who is a senior at Huron High School and is one of the finalists in this competition. I join with the people of Huron in calling to the attention of the Senate the great pride we take in the accomplishment of this young man.

I ask unanimous consent that a background statement of the Westinghouse Science Scholarships and Awards competition and a list of the participants be printed in the RECORD at this point.

There being no objection, the statement and list were ordered to be printed in the RECORD, as follows:

WASHINGTON TRIP WINNERS OF THE 23d ANNUAL SCIENCE TALENT SEARCH FOR THE WESTINGHOUSE SCIENCE SCHOLARSHIPS AND AWARDS

The 40 Washington trip winners of the 23d Annual Science Talent Search, among whom \$34,250 of Westinghouse science scholarships and awards will be distributed, represent about 1 percent of those who completed entries in this scientific and educational competition.

Designed to discover and develop scientific ability among high school seniors, the Science Talent Search is conducted annually for the Westinghouse science scholarships and awards by Science Clubs of America, administered by Science Service, 1719 N Street NW., Washington, D.C.

Ten girls and 30 boys (proportion determined by ratio of boys and girls completing entries) are being invited to Washington, D.C., for an all-expense trip February 26 through March 2, 1964, to attend the Science Talent Institute. Here five winners will be selected by the board of judges to receive one of the following Westinghouse Science Scholarships: \$7,500 (\$1,875 a year), \$6,000 (\$1,500 a year), \$5,000 (\$1,250 a year), \$4,000 (\$1,000 a year), \$3,000 (\$750 a year). The remaining 35 contestants will be given Westinghouse science awards of \$250 each.

The trip winners are 14 to 18 years of age and come from 36 cities in 17 States. They were picked by the judges from among 22,997 contestants of whom 3,141 completed their

entries by taking a science aptitude examination, obtaining recommendations and writing a report on their science project. Completed entries were received from 50 States and the District of Columbia.

Of the 40 23d Annual Science Talent Search Winners, 30 ranked in the top 5 percent of their graduating class and 14 were first, second, or third. Most of the winners are members of science clubs and many of them are club presidents or other officers. Most of their clubs are affiliated with Science Clubs of America. Girls accounted for 24 percent of the entries this year.

WASHINGTON TRIP WINNERS

Arizona

Phoenix, Sinclair, Stephen Hayward, 18, North Phoenix High School, 2021 North Alvarado Road.

California

Fairfield, Bowen, Robert Edward, 16, Armijo Joint Union High School, 721 Nevada.
 Reseda, Goldman, Judith Diane, 17, Reseda High School, 18317 Kittridge Street.
 San Francisco, Fisk, Stephen Thomas, 17, Abraham Lincoln High School, 2270 44th Avenue.

Florida

Miami, Ofsowitz, Clare Harriet, 17, Miami Senior High School, 1548 Southwest Third Street.

North Miami, Solomon, Edward Ira, 17, North Miami Senior High School, 1200 Northeast 160th Street, North Miami Beach.

Illinois

LaGrange Park, Gloss, Mary Helen Carol, 17, Nazareth Academy, 1960 Curtiss, Downers Grove.

Indiana

New Haven, Keller, Rhea Louise, 18, New Haven High School, 3232 Congress Avenue, Fort Wayne.

Maryland

Aberdeen, Kuhn, Margaret Wendy, 17, Aberdeen High School, 634 Burkley Avenue.
 Bethesda, Jaffin, Henry Michael, 17, Bethesda-Chevy Chase High School, 2949 Terrace Drive, Chevy Chase.

Boonsboro, Maiorana, James Anthony, 17, Boonsboro Senior High School, Route 2.

Silver Spring, Winters, Stephen Marron, 17, Montgomery Blair High School, 1608 Grace Church Road.

Massachusetts

Amherst, Lovins, Amory Bloch, 16, Amherst Regional High School, Mill Lane.

Wellesley Hills, Kay, Joseph Andrew, 16, Wellesley Senior High School, 5 Willow Street.

Nebraska

Lincoln, Coy, Stephen Lawrence, 17, Lincoln Southeast High School, 380 Bruce Drive.

Nevada

Boulder City, Lyons, Kenneth Brent, 17, Boulder City High School, 801 Seventh Street, Post Office Box 506.

New Hampshire

Exeter, Sproull, Robert Fletcher, 16, Phillips Exeter Academy, Apartment 1330, 4921 Seminary Road, Alexandria, Va.

New Jersey

Long Branch, Perlman, Janet Esther, 17, Long Branch High School, 174 Franklin Avenue.

Montclair, Blumberg, William Allen, 17, Montclair High School, 229 North Mountain Avenue.

Plainfield, Linke, Richard Alan, 17, Plainfield High School, 1466 Linbarger Avenue.

New Mexico

Las Cruces, Solberg, Herbert Gordon, Jr., 17, Las Cruces High School, Route 2, Box 361.

New York

Brooklyn, Geisler, Carol Joy, 15, Abraham Lincoln High School, 3845 Neptune Avenue;

Krone, Anton Mark, 17, Erasmus Hall High School, 563 Ocean Avenue; Welss, Susan Harriet, 16, Erasmus Hall High School, 682 Ocean Avenue.

Far Rockaway, Spielman, Howard Aaron, 17, Far Rockaway High School, 1231 Beach Ninth Street.

Forest Hills, Kagan, Norman Eli, 17, Forest Hills High School, 68-28 Juno Street; Linsker, Ralph, 14, Forest Hills High School, 75-40 Austin Street.

Jamaica, Winternitz, Robert Steven, 16, Jamaica High School, 141-40 84th Drive.

New York, Rubenstein, Howard Martin, 17, Bronx High School of Science, 2300 Grand Concourse; Menikoff, Arthur Stanley, 16, Stuyvesant High School, 28-08 141st Street, Flushing.

Queens Village, Glazer, Steven Ira, 16, Martin Van Buren High School, 263-08 79th Avenue, Floral Park.

Rochester, DeVonls, Ursula Ann, 17, Nazareth Academy, 20 Ketchum Street.

Staten Island, O'Brien, Eileen Marie, 17, New Dorp High School, 127 Jacques Avenue.

Pennsylvania

Ardmore, Gittes, Frederick Martin, 16, Lower Merion High School, 342 East Lancaster Avenue, Wynnewood.

Pittsburgh, Locker, Joseph D., 16, Taylor Alderdice High School, 5723 Solway Street, 17.

South Dakota

Huron, Snyder, Lee R. Girton, 18, Huron High School, 1075 Illinois SW.

Texas

Pettus, Barnhart, Robert Joel, 17, Pettus High School, Box 70.

Virginia

Arlington, Zisler, Randall Craig, 17, Wakefield High School, 1627 South 26th Street, Apartment 7.

Bedford, Fizer, Henry Burnett, 17, Bedford High School, Route 1.

Springfield, Bell, Joseph William, Jr., 17, Robert E. Lee High School, 8021 Jansen Drive.

DEATH OF SAMUEL G. LASKY

Mr. JACKSON. Mr. President, the Senate should note the passing of a very dedicated and very able public servant. Samuel G. Lasky, Deputy Director of the Office of Coal Research, Department of the Interior, died last night in Luxembourg, where he was on an official mission for our Government. He had been sent overseas to inquire into and report on the technical and economic structure of energy production in Western Europe, with particular reference to increasing our exports of American coal to European markets.

Mr. Lasky devoted all of his adult life to the service of his Government, distinguishing himself in technical and administrative management in the Department of the Interior. Last July he received the Department's highest honor, the Distinguished Service Award.

Mr. President, I ask unanimous consent that the citation for the Distinguished Service Award to Mr. Lasky by Secretary of the Interior Udall be made a part of my remarks at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,

Washington, D.C.

Citation for distinguished service, Samuel G. Lasky, in recognition of his 32 years of outstanding service in geology and tech-

nical and administrative management in the Department of the Interior.

Since 1931 when Mr. Lasky began his Federal service as an assistant geologist with the Geological Survey, his work has been characterized by exceptional initiative, personal integrity and professional excellence. He advanced to principal geologist with the Survey and in 1951 he transferred to the Office of the Secretary where his special talents and experience were utilized in guiding departmental planning in mineral resources, first on the staff of the Assistant Secretary, mineral resources, and from 1953 to 1960 as a member of the technical review staff. In 1960 Mr. Lasky was again on the staff of the Assistant Secretary, mineral resources, charged with developing and implementing the organization of the Office of Coal Research. In May 1961, he was appointed assistant director of the office. He assisted the U.S. Senate Committee on Interior and Insular Affairs as chairman of its national fuels and energy study from August 1, 1961, to September 7, 1962. The work of this study under his chairmanship was highly praised. It was the latest of many such special and difficult assignments ably handled by Mr. Lasky during his Federal service, in all of which he has brought great credit upon this department. In recognition of his eminent career in Government, the Department of the Interior grants to Mr. Lasky its highest honor, the Distinguished Service Award.

STEWART L. UDALL,
 Secretary of the Interior.

Mr. JACKSON. Mr. President, unquestionably, the part of Mr. Lasky's work that is best known to the Members of the Senate is his able, energetic chairmanship of the national fuels and energy study group. This group of experts and technicians, consisting of professional men from all of the major sources of energy production in the United States, submitted a report to the Interior Committee in the 87th Congress on "An Assessment of Available Information on Energy in the United States," which became a Senate document and which has attracted widespread comment and commendation.

I regret Sam Lasky's death, and on behalf of the members of the Interior Committee extend my sympathy to his widow and his three daughters.

THE FOURTH ANNUAL GOVERNOR'S PRAYER BREAKFAST IN HONOLULU

Mr. INOUE. Mr. President, Gov. John A. Burns, of Hawaii, who counts many friends among the Members of this body, recently participated in the fourth annual Governor's prayer breakfast in Honolulu. Governor Burns' remarks on this occasion are well worth our consideration. I ask unanimous consent to have the full text of the Governor's remarks printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY GOV. JOHN A. BURNS, FOURTH ANNUAL GOVERNOR'S PRAYER BREAKFAST, MONARCH ROOM, ROYAL HAWAIIAN HOTEL, FEBRUARY 5, 1964

I am happy, in a very personal way, to join with you today in this prayer breakfast. Often, those who express an interest in the preservation of our religious faith and heritage, have something of the aspect of antique enthusiasts, as though our faith had value simply because of its antiquity, and they

March 7, 1964

11. ALASKA LANDS. The Interior and Insular Affairs Committee reported without amendment H. R. 7598, to amend the act providing for admission of Alaska into Union so as to extend the time for filing applications for selection of certain lands by that State (H. Rep. 1226). p. 4570

SENATE

12. MEAT IMPORTS. Sens. Mansfield and Metcalf submitted an amendment to restrict imports of beef, veal, mutton, and lamb into the U. S. to H. R. 1839, the tariff bill, and inserted an announcement by Sen. Byrd, Va., of scheduled hearings on the amendment, which he stated is identical to S. 2525, beginning Wed. Mar. 11. p. 4572

Sen. Jordan, Idaho, was added as a cosponsor to S. 2525, to restrict imports of beef, veal, and mutton into the U. S. p. 4600

Sen. Miller inserted two articles urging action to relieve the meat situation. pp. 4604-5

Received an Iowa State Legislature resolution "to base agreements on a level no higher than the import average of the years 1958 through 1962." p. 4600

13. CIVIL RIGHTS. Began debate on a motion by Sen. Mansfield to consider H. R. 7152, the civil rights bill. pp. 4585-99

14. AUTOMATION. Both Houses received from the President proposed legislation to establish a National Commission on Automation and Technological Progress; to Labor and Public Welfare Committee. p. 4599

15. WEIGHTS AND MEASURES. Sen. Pell inserted a letter in support of his proposed legislation which calls for a study of the feasibility of adopting the metric system of weights and measures. pp. 4603-4

16. RECREATION. Sen. Douglas inserted an editorial, "Smokestacks on the Dunes," in support of his proposed legislation to establish the Indiana Dunes National Lakeshore. p. 4605

17. UNEMPLOYMENT. Sen. Douglas commended and inserted an article on the problem of unemployment which explains the manner in which this problem is tied to other important questions such as poverty, education, civil rights, and economic prosperity. pp. 4605-6

18. LANDS. The Subcommittee on Indian Affairs of the Interior and Insular Affairs Committee voted to report with amendment H. R. 1794, authorizing the U. S. to take rights-of-way over lands within the Allegheny Indian Reservation, N. Y., for the Allegheny River Project (Kinzua Dam). p. D182

19. WATERSHEDS. S. 1790, which the Agriculture and Forestry Committee has voted to report (see Digest 39), would amend the Watershed Protection and Flood Prevention Act so as to authorize the Federal Government to pay the costs of utility relocations on watershed protection and flood prevention projects whenever the Secretary of Agriculture determines that the local organization is financially unable to bear such costs or that the bearing of such costs would work an undue hardship upon it, up to a limit of 5% of the estimated total Federal construction costs for any single project (including engineering costs). This bill does not relate to the size of reservoirs.

ITEMS IN APPENDIX

20. POVERTY. Extension of remarks of Rep. Curtis stating that the poverty program is being made into a slogan rather than as a "carefully planned and executed program. pp. A1197-8
21. MEAT IMPORTS. Rep. Hoeven inserted an Iowa General Assembly resolution requesting the President to base meat-import agreements on a level no higher than the import average of 1958 through 1962. p. A1199
Extension of remarks of Rep. Quie inserting a Central Livestock Association's resolution opposing the importation of livestock, wool, meat, and meat products. p. A1210
22. LAND AND WATER CONSERVATION. Rep. Roybal inserted a constituent's letter urging him to support the land and water conservation fund bill. pp. A1200-1
23. COTTON-WHEAT. Rep. Michel inserted an editorial charging that the wheat part of the cotton-wheat bill "seems clearly to be a straight out power grab for Federal control of the wheat farmer." p. A1204
24. EXPENDITURES. Rep. Clausen inserted his address recommending changes in the President's proposed budget including the listing of Government-sold assets as revenue, the establishment of a bipartisan Commission on Federal Expenditure Policy, the reorientation of the whole network of Government price supports for agriculture, and the encouragement of export expansion. pp. A1208-10

BILLS INTRODUCED

25. MEAT IMPORTS. H. R. 10297, by Rep. Grant, to restrict imports of beef, veal, and mutton into the United States; to Ways and Means Committee.
H. R. 10298, by Rep. Grant, to amend the Tariff Act of 1930 to impose additional duties on cattle, beef, and veal imported each year in excess of annual quotas; to Ways and Means Committee.
26. FOREIGN TRADE. H. J. Res. 945, by Rep. Michel, prohibiting the importation of goods from countries which trade with Cuba; to Ways and Means Committee.
27. HOLIDAY. S. 2613, by Sen. Douglas, making the anniversary of Lincoln's Birthday a legal holiday; to Judiciary Committee. Remarks of author, p. 4600.

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COMMITTEE HEARINGS MAR. 10:

Agricultural appropriations, H. and S. Appropriations (exec).

State water rights, S. Interior (Baker to testify).

Road authorizations, H. Public Works (Baker and Nelson to testify Mar. 12).

oOo

88TH CONGRESS
2D SESSION

H. R. 1839

IN THE SENATE OF THE UNITED STATES

MARCH 9, 1964

Referred to the Committee on Finance and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. MANSFIELD (for himself, Mr. METCALF, Mr. BIBLE, Mr. BURDICK, Mr. CANNON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. JORDAN of Idaho, Mr. LONG of Missouri, Mr. MAGNUSON, Mr. MCGEE, Mr. MCGOVERN, Mr. MECHEM, Mr. MILLER, Mr. MONRONEY, Mr. RANDOLPH, Mr. SIMPSON, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota) to H.R. 1839, an Act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, viz:

- 1 At the end of the bill insert the following:
- 2 "SEC. 3. The total quantities of beef, veal, and mutton
- 3 (in all forms except canned, cured, and cooked meat, and

1 live animals) and lamb originating in any country which
2 may be entered, or withdrawn from warehouse, for consump-
3 tion during any period of twelve months shall not exceed the
4 average annual quantities of such products imported from
5 such country during the five-year period ending on Decem-
6 ber 31, 1963: *Provided*, That beginning January 1, 1965,
7 there may be an annual increase in the total quantities of
8 such products which may be entered, or withdrawn from
9 warehouse, for such purpose, corresponding to the annual
10 rate of increase in the total United States market for such
11 products, as estimated by the Secretary of Agriculture.”

Amend the title so as to read: “An Act to amend the
Tariff Act of 1930 to provide for the free importation of
wild animals and wild birds which are intended for exhibition
in the United States, and for other purposes.”

AMENDMENTS

Intended to be proposed by Mr. Mansfield (for himself, Mr. Metcalf, Mr. Bible, Mr. Burdick, Mr. Cannon, Mr. Carlson, Mr. Curtis, Mr. Dominick, Mr. Edmondson, Mr. Goldwater, Mr. Hartke, Mr. Hayden, Mr. Hickenlooper, Mr. Jordan of Idaho, Mr. Long of Missouri, Mr. Magnuson, Mr. McGee, Mr. McGovern, Mr. Mechem, Mr. Miller, Mr. Monroney, Mr. Randolph, Mr. Simpson, Mr. Yarborough, and Mr. Young of North Dakota) to H.R. 1839, an Act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

MARCH 9, 1964

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Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, D. C. 20250

Official business

Postage and fees paid

U. S. Department of Agriculture

Issued July 2, 1964

For actions of July 1, 1964

88th-2nd; No. 132

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HIGHLIGHTS: Senate debated pay bill. Senate committee reported road authorization bill. Senate committee approved meat-imports amendment. Senators were appointed to Food Marketing Commission. House passed foreign aid appropriation bill. House passed bill to extend time for filing tobacco allotment leases.

SENATE

1. PERSONNEL; PAY. Began debate on H. R. 11049, the Federal pay bill, rejecting amendments to exclude the legislative branch, etc. pp. 15175-86, 15210-31, 15242
2. ROADS. The Public Works Committee reported with amendments H. R. 10503, the road authorizations bill for 1966 and 1967 (S. Rept. 1162). p. 15136
3. MEAT IMPORTS. Sen. Byrd, Va., announced that the Finance Committee had approved a meat-imports amendment (p. 15217). The "Daily Digest" states that the committee voted to report (but did not actually report) H. R. 1839, providing for free importation of wild birds and animals for exhibition, "with Mansfield amendment No. 465 (restricting importation of beef, veal, lamb, and mutton into the U. S.) as modified by Curtis amendment No. 1085 (restricting the importation of such meats on a pound basis)." p. D537

4. FOOD MARKETING. Sens. Magnuson, McGee, Hart, Morton, and Hruska were appointed as Senate members of the National Commission on Food Marketing. p. 15242
5. COMMODITY CREDIT CORPORATION. Both Houses received from the Comptroller General an audit report on CCC for the fiscal year 1963. pp. 15130, 15135
6. MUSHROOM INDUSTRY. Received a Pa. legislature resolution asking protection for the mushroom industry. p. 15136
7. RADIATION. The Judiciary Committee reported without amendment H. R. 10437, to incorporate the National Committee on Radiation Protection and Measurements (S. Rept. 1155). p. 15136
8. RECREATION. The Judiciary Committee reported with amendments H. J. Res. 658, requesting the President to proclaim 1964 as "See America Year" (S. Rept. 1149). p. 15136
9. ELECTRIFICATION. Sen. Javits inserted the report of the Milton Eisenhower committee on electric resources and the future. pp. 15138-42
10. POVERTY. Sen. Lausche criticized the President's poverty program (p. 15173). Sen. Javits inserted ideas on the poverty program resulting from a New York University conference (pp. 15231-4).
11. AREA REDEVELOPMENT. Sen. Hartke inserted an editorial defending the area-redevelopment project for North Vernon, Ind., against criticism by Reader's Digest. p. 15238
12. WATERSHEDS. The Public Works Committee approved watershed projects for Hiawassee River, Ga.; Muddy Creek, Kans.; Presque Isle Strait, Me.; and West Fork of Duck Creek, O. p. D537

HOUSE

13. ALASKA RELIEF. Rep. Albert asked permission for S. 2881, the Alaska relief bill, to be taken up today under a motion to suspend the rules and pass the bill, but withdrew the request after Rep. Halleck indicated that he had not had sufficient opportunity to check into the matter. pp. 15067-8
Rep. Pelly criticized the Senate's action in rejecting certain "liberalizing amendments" to S. 2881, stating that "Alaska has received rather shabby treatment in relation to her reconstruction needs..." p. 15027
14. FOREIGN AID. By a record vote of 231 to 174 passed, without amendment, H. R. 11812, the foreign aid appropriation bill. pp. 15027-65
The bill includes \$204,600,000 for economic assistance development grants, \$134,272,400 for contributions to international organizations and programs, \$85,000,000 for Alliance for Progress development grants, \$425,000,000 for Alliance for Progress development loans, and \$87,100,000 (plus \$17,000,000 of funds previously appropriated) for the Peace Corps.
15. APPROPRIATIONS. Rep. Mahon inserted tabulations of appropriation bills processed by the House to date. p. 15065
16. TOBACCO. Passed without amendment H. J. Res. 1026, to extend time by which a lease transferring a tobacco acreage allotment may be filed. p. 15067
Rep. Kornegay inserted an editorial criticizing FTC's rule requiring the labeling of cigarettes as a health hazard. pp. 15069-10

Mr. President, the motivation for Government service at these levels must be based on more than dollars and cents. A Cabinet officer undeniably is paid less than a business executive with comparable responsibilities. But, we could never expect to pay the Secretary of Labor, for example, what the giant unions pay their presidents, or to match the salary of the Secretary of Defense with the multi-hundred-thousand-dollar salary of a huge manufacturing firm.

It is reported that Gov. LeRoy Collins is leaving a \$75,000 a year job as president of the National Association of Broadcasters to accept a Government post paying less than a third of that. These people come to Government positions because they are motivated by a desire to serve, not because of the salary. The same is true of the Members of the Congress.

It is unfortunate, Mr. President, that we are not allowed to consider a bill giving increases to those Government workers who unquestionably deserve them. On balance, however, the bad in this bill outweighs the good; accordingly, I shall vote against it.

Mr. BREWSTER. Mr. President, in my opinion, we have a solemn obligation to act favorably on this very commendable and very necessary pay bill.

When the Senate passed the Salary Reform Act of 1962, only three Members of this body voted against it. That measure committed Congress to the very sensible and reasonable proposition that Federal employees and postal employees should be relieved of the necessity of incessantly petitioning Congress to keep them abreast of the Nation's economic parade. The act, as it was passed, introduced into the Federal pay structure, for the first time, a scientific and dignified apparatus for adjusting Federal salaries whenever they fell significantly behind the accepted norm for similar jobs in private industry.

The late President Kennedy, using the apparatus we had approved, told us, on April 29 of last year, that postal employees' pay and Federal employees' pay had fallen considerably below accepted standards in private industry. We were morally committed to do something about that situation; but today, 14 months later, we are getting our first opportunity to live up to our obligation.

It was for this reason, Mr. President, that in committee I offered the amendment which was agreed to, and which will make this pay raise for the postal employees and the classified employees effective on July 1, 1964, instead of in the first pay period following the enactment of the legislation.

The fine people who man our postal service and our classified service have waited long enough for their comparability pay raise. With each passing month, they have been slipping behind the economic parade. When we pass this bill today—and I feel confident that we shall—there will have to be a conference, and then consideration by both Houses of the agreement reached by the con-

ferrees. All this adds up to more and more delay. In my opinion, it would be unconscionable for us to ask the Federal workers and the postal workers to take a further financial beating, just because in our legislative processes we have been somewhat dilatory.

Mr. President, I doubt that there can be any serious argument against the pay raises which this bill provides for Federal employees in the upper echelons of the service. All responsible authorities, both those in government and those in private industry, agree that these positions must be more attractively compensated.

The U.S. Government is the largest and the most important business operation in the world. The government is filled with positions calling for great intelligence, great judgment, great learning, and great moral courage. The decisions such men must make, as all of us know, often affect millions upon millions of human beings, both at home and abroad. Their decisions involve enormous sums of the taxpayers' money. They could conceivably involve the peace and security of the free world.

We simply cannot continue to compensate such positions with a wage that would be considered, in private industry, inadequate for an office manager or an assistant to a very junior vice president.

President Johnson has pointed out that we must prevent our Federal pay structure from becoming one that will repel the talented and will attract only the mediocre. We are perilously close to that point now. I think it is a miracle that we have been able to attract and retain the high caliber of men and women that we have today in the Government. But already the signs are becoming all too apparent that too many of the best and most talented people in the Government are finding the Federal service a luxury in which—in fairness to their families—they cannot continue to indulge. We are losing topflight people every day; and the only way we can stop this expensive exodus of talent is to make the positions more attractive than they are now.

If our huge and complex Federal Government is ever dominated by second-rate managers, we shall then be in serious danger of becoming a second-rate country.

We must repair the flaws in the present pay structure, and we must plan boldly for the future. This bill does both.

It is a good bill. Under the able leadership of our chairman, the Senator from South Carolina [Mr. JOHNSTON], our committee deliberated over its provisions in depth and at length. When we approved it, we did so without a dissenting voice or vote.

The bill deserves the same enthusiastic support from the Senate as a whole; and I sincerely hope and trust that it will receive it.

It is our moral duty to pass this bill; and it is a matter of enlightened self-interest to provide for a Federal pay structure that will attract and retain the best available talent in the land.

FREE ENTRY OF CERTAIN MASS SPECTROMETERS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 4364) to provide for the free entry of one mass spectrometer for the use of Oregon State University and one mass spectrometer for the use of Wayne State University, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD of Virginia. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD of Virginia, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. WILLIAMS of Delaware, and Mr. CURTIS conferees on the part of the Senate.

MEAT IMPORTS

Mr. BYRD of Virginia. Mr. President, I am pleased to announce that the Senate Finance Committee has just approved the Mansfield amendment, No. 465, to limit beet imports. The committee approved this amendment with a modification offered by Senator CURTIS. Under the amendment adopted, imports of fresh, chilled, or frozen beef after 1964 will be limited to 674 million pounds annually. This is generally the average annual amount which was imported in the 5-year period ending with December 31, 1963. Restrictions were also placed on importation of mutton, lamb, and certain prepared meats, on a pound basis.

The amendment provides for increases in the stated quotas whenever the average price in the United States for that meat equals or exceeds 90 percent of the average parity price provided the semi-annual production of cattle in this country exceeds 7,352 million pounds.

The amendment was adopted to H.R. 1839, a House-passed bill relating to the importation of wild birds and wild animals.

The bill will be reported to the Senate tomorrow.

GOVERNMENT EMPLOYEES SALARY REFORM ACT OF 1964

The Senate resumed the consideration of the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes.

Mr. PROXMIRE. Mr. President, I shall call up my amendment. Before I do so, I point out that I am very anxious to obtain the yeas and nays on the amendment. I talked with the majority leader about it. At the present time it appears that there are not enough Senators in the Chamber to order the yeas and nays. So I ask unanimous consent that there may be a quorum call with

the understanding that I shall not lose my right to the floor, for the purpose of bringing a sufficient number of Senators to the Chamber so that I may ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Wisconsin wish first to offer his amendment?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that my amendment be called up and that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PROXMIRE's amendment (No. 1084) is as follows:

Beginning with line 23 on page 108, strike out over through line 8 on page 115.

Redesignate titles III and IV as II and III, respectively; redesignate sections 301 to 310 as 201 to 210, respectively; and redesignate sections 401 to 403 as 301 to 303, respectively.

Beginning with line 4 on page 166, strike out over through line 2 on page 167 and insert in lieu thereof the following:

"TITLE IV—EFFECTIVE DATE

"SEC. 401. This Act and the increases in compensation made by this Act shall become effective on July 1, 1964."

Mr. PROXMIRE. Mr. President, I believe there are enough Senators present to have the yeas and nays ordered.

I ask for the yeas and nays on my amendments.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. If the yeas and nays are ordered on the amendment of the Senator from Wisconsin, will it be open to amendment?

The PRESIDING OFFICER. It will be open to amendment, but not modification.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, this amendment is simple. It would delete from the bill, title II, "Federal Legislative Salaries." It would eliminate that part of the bill which provides pay increases in salaries for Members of the House and the Senate and employees of the House and the Senate.

A congressional pay increase is unjustified. When I say "unjustified," I mean exactly that word. It has not been justified in the hearings or in the Randall report.

During the hearings there was a little discussion of congressional pay, but very little, indeed. I challenge any Senator to go through the hearings and find—the only one I could find was by the distinguished minority leader, Senator DIRKSEN—a statement in favor of a congressional pay increase. And even this eloquent statement is an undocumented generalized approval. The Randall report confines its justification to executive salaries.

I think a strong case was made, and a persuasive case so far as I am concerned, for an increase in salaries of executive and judicial employees. The testimony is voluminous and the comparability criterion that was introduced is most convincing. The fact is that this Government cannot hire people to serve in

responsible and onerous jobs of our Federal Government if they are not paid on a basis comparable to what they can earn in private employment.

Since there last was a substantial increase for members of the Cabinet and judicial officials, there has been a great increase in salaries all over the country, but particularly in the highest salaries.

I feel very strongly that the need for a pay increase in those categories has been fully justified. It has been fully documented. It would be false economy if Congress should refuse to permit the Federal Government to pay sufficient salaries to enable the Government to hire some of the best administrators in the Nation to serve in responsible and important positions, in which persons could exercise their judgment in securing efficiency and economy.

But the same argument cannot be made for Members of the House and the Senate. This is a most difficult issue to debate, because we are all involved. It is difficult for us to argue against a pay increase for Members of the House and Senate.

I cannot think of anything that would make one lose popularity among one's colleagues more than to argue against a pay raise for them. In fact, I am having trouble with my wife on this issue. I am sure that those who vote for my amendment will find they may have trouble with their wives, children, or other members of their family who disagree. So it is not easy to make this argument. But the fact is that a pay increase is not necessary for Members of the House and Senate.

A Member of the House or Senate now receives \$22,500 a year. That pay is three times as high as the income of the average American family. Only 1 family out of 50 in the Nation receives as much as \$22,500 or more.

When one is paid this handsomely in any line of work, really the only justification to pay more is that we must pay more if we are to get the people to do the job. That is the justification for the increase for Cabinet officers and judicial officers. But the same justification cannot be made for Members of the House and Senate.

We all recognize the great expense involved in running as a candidate for the House or Senate. Why? Because there is great competition for the job. Candidates for the House and their supporters are willing to contribute, typically, \$25,000 or \$30,000, for a single campaign. In many States candidates for the Senate will conduct campaigns that cost \$250,000 or \$300,000, and some Senate campaigns cost \$1 million or more.

On the basis of competence and efficiency, I should say that the services of virtually all Members of the Senate could be valued abstractly at \$50,000 or \$100,000, or even more. Most Members of this body could make more on the outside than we make here. We have chosen to serve in this body because we like it, because the nonmonetary rewards are far greater than the monetary rewards. There is no question of the satisfaction that comes from serving in the Senate, in being one's own boss, in not being an

administrator appointed by somebody else, of being able to work in accordance with one's own conscience, of, in effect, choosing one's own field, and devoting time and attention to it and meeting the great challenges that face our country in being a top American policymaker. That is the real compensation. Whether the salary were increased to \$30,000, or \$50,000, or \$100,000, the incentive to run as a candidate for the Senate or the House in my judgment, would not be substantially increased.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. LAUSCHE. I have a tabulation in my hand showing the pay increases that were granted generally to the Federal employees beginning in 1955. If I am incorrect in this statement, those who are experts in the matter may challenge me.

In 1955 a 7.5-percent pay raise was granted to the general employees.

In 1958 a 10-percent increase was granted.

In 1960 a 7.7 percent increase was granted.

In 1962 a 5.5-percent increase was granted, effective in 1962, with the provision for a 4.4-percent increase effective in 1964.

These figures show that since 1955 the general employees have received, in the aggregate, pay raises amounting to 35.1 percent.

I come now to the pay raises granted to Members of Congress.

In 1955 the pay was raised from \$12,500 to \$22,500.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. LAUSCHE. The salary was \$12,500, with an allowance of \$2,500 for expenses, but the salary was \$12,500, according to the report submitted.

Mr. MONRONEY. If the Senator will yield for a correction, the Legislative Reorganization Act of 1946 established a \$15,000 salary for Members of the Senate and House. At that time, in 1946, Members were enjoying a salary of \$10,000 plus a \$2,500 allowance. When the Legislative Reorganization Act was passed a \$15,000 salary superseded the old salary, and that was the salary until the time it was raised to \$22,500 in 1955.

Mr. LAUSCHE. That is, it was \$12,500, with \$2,500 for an allowance. What does the Senator from Oklahoma say it was then?

Mr. MONRONEY. Then it was \$15,000 salary, and the expense allowance ceased to exist.

Mr. LAUSCHE. In 1955 the salary was \$15,000. Then it was raised to \$22,500. That is a 50-percent increase. It is now proposed to raise it from \$22,500 to \$30,000. That is a 33⅓-percent pay raise over 1955. If we take the \$15,000 pay in 1955 and compare it with the \$30,000 in 1964, the pay raise is 100 percent. How can we go back to the taxpayers and voters and say that we have granted, in the aggregate, a 35-percent pay raise to the general employees, but have granted to ourselves a 100-percent

where testimony was received from Representative Keogh; and J. Joseph Minetti, member, Civil Aeronautics Board. Mr. Hearn was present to testify and answer questions on his own behalf.

INTEREST EQUALIZATION TAX ACT

Committee on Finance: Committee continued its hearings on H.R. 8000, imposing a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the U.S. and in markets abroad, receiving testimony from Nathaniel Samuels, Investment Bankers Association of America; Michael Waris, Jr., Baker, McKenzie & Hightower; Robert A. Gilbert, Investors League, Inc.; Herbert Gareiss, Carl Marks & Co.; Arthur A. Feder, the Fund of Funds; and William L. Sheets, National Constructors Association.

Hearings continue tomorrow.

MEAT IMPORTATION

Committee on Finance: Committee, in executive session, ordered favorably reported H.R. 1839, providing for the free importation of wild birds and animals for exhibition in the U.S., with Mansfield amendment No. 465 (restricting importation of beef, veal, lamb, and mutton into the U.S.) as modified by Curtis amendment No. 1085 (restricting the importation of such meats on a pound basis).

FOREIGN AID AUTHORIZATIONS

Committee on Foreign Relations: Committee continued its executive consideration of H.R. 11380, fiscal 1965 authorizations for the foreign aid program, but did not conclude action thereon, and will meet again tomorrow.

ECONOMIC CONCENTRATION

Committee on the Judiciary: Antitrust and Monopoly Subcommittee began a series of hearings on the concentration of economic power, having as its witnesses Dr. Gardiner C. Means, an economist of Vienna, Va.; Corwin Edwards, a professor at the University of Oregon; and Lee Preston, a professor at the University of California.

Hearings continue tomorrow.

NOMINATION

Committee on the Judiciary: Subcommittee held hearings on the nomination of Wilson Cowen, of Maryland, to be chief judge of the U.S. Court of Claims, with favoring testimony from Oliver Gasch, president, and Glen A. Wilkinson, committee on judicial selections, both of the D.C. Bar Association. The nominee was present to testify and answer questions on his own behalf.

By previous agreement this nomination was subsequently approved for reporting by the full committee.

COMMITTEE BUSINESS

Committee on Public Works: Committee, in executive session, ordered favorably reported S. 1147, to enable construction of an adequate system of roads for the national forests (amended); S. 1282, permitting a State to increase the mileage of its Federal-aid primary system when provision is made for the completion and maintenance of 75 percent thereof; S. 1593, authorizing funds for planning the Great River Road along the Mississippi Valley; S. 1847, to provide a residence for Congressional and Supreme Court pages (amended); H.R. 5478, authorizing a survey of the Frio River in the vicinity of Three Rivers, Tex., in the interest of flood control; H.R. 6923, authorizing a survey of Cedar Bayou, Tex., in the interest of flood control; H.R. 10392, authorizing location of a portion of a vehicular tunnel under parts of the U.S. Capitol Grounds; and H.R. 10503, authorizing funds for highway construction for fiscal years 1966 and 1967 (amended).

Also, committee approved public buildings prospectuses for (1) construction of 25 new small buildings for the Social Security Administration, Department of HEW, (2) construction of new buildings for Internal Revenue Service Regional Service Center at Ogden, Utah, and courthouse and Federal office building at San Antonio, (3) construction of new buildings (revised prospectuses) for border stations at Nogales, Ariz., and Derby Line, Vt., and a post office building at San Antonio, and (4) alterations to the San Antonio post office and courthouse buildings.

Committee also approved the following four watershed projects: Hiawassee River, Ga.; Muddy Creek, Kans.; Presque Isle Strait, Maine; and West Fork of Duck Creek, Ohio.

AIR POLLUTION

Committee on Public Works: Special Subcommittee on Air and Water Pollution continued its hearings on the question of abatement of air pollution, receiving testimony from Alexander P. de Seversky, New York City; Ross McKinney, sanitary engineering department, University of Kansas; Vernon G. MacKenzie, Division of Air Pollution, and Wesley E. Gilbertson, Division of Environmental Engineering and Food Protection, both of the Public Health Service, Department of HEW; and Richard Domenic, Incinerator Institute of America.

Hearings continue tomorrow.

INVESTIGATION—SENATE EMPLOYEES

Committee on Rules and Administration: Committee, in executive session, approved language for inclusion in its final report on the study of financial and business activities of Senate employees and former Senate employees. Committee agreed that the minority members

or any individual committee members would have until Wednesday, July 8, to present their views and that the report together with minority or individual views would be presented to the Senate on that date.

Committee rejected a motion by Senator Clark to report favorably a resolution dealing with amendments to the Senate rules prohibiting certain outside employment by officers or employees of the Senate.

House of Representatives

Chamber Action

Bills Introduced: 17 public bills, H.R. 11865-11881; 11 private bills, H.R. 11882-11892; and 10 resolutions, H.J. Res. 1101-1106, H. Con. Res. 318-320, and H. Res. 798, were introduced. Pages 15131-15132

Bills Reported: Reports were filed as follows:

Conference report on H.R. 10456, the NASA authorization bill for fiscal year 1964 (H. Rept. 1529);

H.R. 8050, to provide tax-exempt status for certain nonprofit nurses' professional registries, amended (H. Rept. 1530);

Report of the Fourth Conference of the Mexico-United States Interparliamentary Group (H. Rept. 1531);

S. 944, to provide for presentation of a monument to Mexico, amended (H. Rept. 1532);

S. 2370, relating to Rio Grande canalization project, amended (H. Rept. 1533);

H.R. 7419, regarding emergency international flood control works, lower Colorado River, amended (H. Rept. 1534);

S. 1627, relating to U.S. contribution to International Commission for Supervision and Control in Laos (H. Rept. 1535);

H.R. 10485, to provide for adjustments in annuities under the Foreign Service retirement and disability system (H. Rept. 1536); and

H.R. 11754, to amend the Foreign Service Buildings Act of 1926 to authorize additional appropriations (H. Rept. 1537). Page 15131

President's Message—NASA Activities: Heard the reading of a message from the President transmitting report of the activities of the National Aeronautics and Space Administration for the first 6 months of 1963. The message and report were referred to the Committee on Science and Astronautics and ordered printed as a House document (H. Doc. 314). Page 15027

Legislative Program: The majority leader announced that following disposition of the foreign aid appropriation bill; the resolution on House concurrence to Senate amendments to the civil rights bill; and several conference reports; the House on Thursday would adjourn to meet next on Monday, July 20. Page 15028

Foreign Aid Appropriation: By a record vote of 231 yeas to 174 nays the House passed without amendment H.R. 11812, making appropriations for foreign assistance and related agencies for fiscal year 1965. Prior to

passage the House by a record vote of 198 yeas to 208 nays rejected a recommittal motion designed to effect a cut of \$247,800,000 through reductions in six categories of economic assistance funds.

A series of amendments similar to the recommittal motion had been rejected earlier while in the Committee of the Whole House on the State of the Union by a teller vote of 151 yeas to 171 nays.

Rejected an amendment that sought to delete the Presidential discretion to finance credit sales of commodities to Communist countries if he deems it to be in the national interest.

The bill provides appropriations totaling \$3,739,249,400, which amount is \$219,127,600 less than the budget estimates. Pages 15027-15065

Committee Travel: By a voice vote the House adopted H. Res. 792, to provide additional travel authority to the Committee on Agriculture. Pages 15068-15069

Tobacco Allotments: By a voice vote the House adopted and sent to the Senate H.J. Res. 1026, to extend the time by which a lease transferring tobacco acreage allotment may be filed. Page 15067

Social Security: The Committee on Ways and Means was granted permission to file by midnight Tuesday, July 7, a report on H.R. 11865, the Social Security Amendments of 1964. Page 15067

Bills Referred: Two Senate-passed bills were referred to appropriate committees. Page 15130

Quorum Call and Record Votes: During the proceedings of the House today one quorum call and two record votes developed and they appear on pages 15027, 15063-15064 and 15064.

Program for Thursday: Adjourned at 6:54 p.m. until Thursday, July 2, 1964, at 12 o'clock noon, when the House will act on H. Res. 789, to provide for the concurrence of the House of Representatives to the Senate amendment to H.R. 7152, the civil rights bill.

Committee Meetings

LAND TRACTS—OVERTIME WORK, USDA

Committee on Agriculture: Subcommittee on Departmental Oversight and Consumer Relations ordered reported favorably to the full committee H.R. 4242, to release and transfer all right, title, and interest of the United States in and to certain tracts of land in Pender County, N.C.; and H.R. 9180, to reimburse certain inspection services for overtime work, USDA.

Digest of CONGRESSIONAL PROCEEDINGS

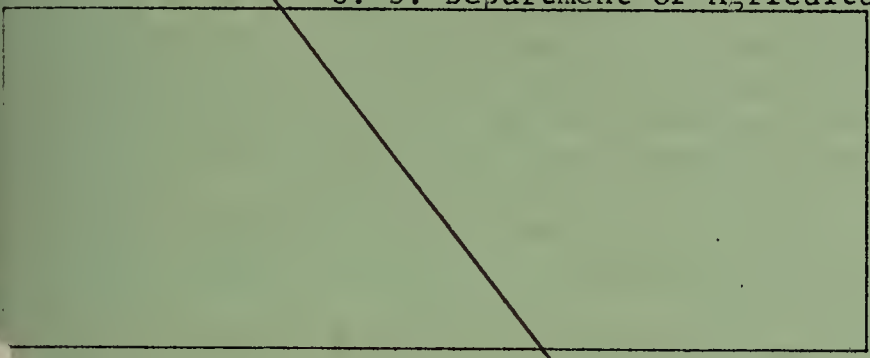
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OFFICE OF
BUDGET AND FINANCE

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For actions of July 2, 1964
88th-2d; No. 133



HIGHLIGHTS: See page 5

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SENATE

1. PERSONNEL. Passed, 58-21, with amendments H. R. 11049, the Federal pay bill. Agreed to amendments not affecting this Department. Rejected numerous amendments. Senate conferees were appointed. pp. 15275-325
Sen. Byrd inserted the report of the Joint Committee on Reduction of Nonessential Federal Expenditures, "Federal Personnel in Executive Branch, May 1964 and April 1964, and Pay, April 1964 and March 1964." pp. 15246-50
Sen. Miller indicated a belief that improper tactics had been used in getting Federal employees to attend the \$100 Democratic fundraising event, and inserted articles by Joseph Young on this subject. pp. 15255-6
2. MEAT IMPORTS. The Finance Committee reported with amendments H. R. 1839, to amend the Tariff Act, including restrictions on meat imports (S. Rept. 1167). p. 15246
3. ROADS; FORESTRY. Passed as reported H. R. 10503, to authorize 1966-1967 appropriations for roads, including forest development roads and trails. pp. 15331-3

4. WATER RESEARCH. Both Houses agreed to the conference report on S. 2, to authorize Federal aid for water-resources research. See Digest 109 for provisions. This bill will now be sent to the President. pp. 15326-8, D544, 15373-5
5. FOREIGN AID. The Foreign Relations Committee voted to report (but did not actually report), 12 to 2, with amendments H. R. 11380, the foreign-aid authorization bill. The committee announced that a report would be filed Sat., July 11. The Record contains a table setting forth amounts provided for at various legislative stages. pp. D545-6
Both Houses received from the Treasury Department a proposed bill to amend the Inter-American Development Bank Act to authorize the U. S. to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank; to Senate Foreign Relations Committee and House Banking and Currency Committee. pp. 15246, 15447
6. PACKAGING. Sen. Keating inserted a Long Island Women's Clubs resolution favoring the truth-in-packaging bill. p. 15246
7. AREA REDEVELOPMENT. Sen. Miller claimed information submitted to Congress by the Area Redevelopment Administration was inaccurate and inserted a report from the Comptroller General on this matter. pp. 15254-5
8. EXPENDITURES. Sen. Robertson inserted a report from the U. S. Chamber of Commerce recommending an "economy program for the fiscal year 1965" including proposed cuts in USDA programs. pp. 15258-61
9. TRAVEL. Passed as reported H. J. Res. 658, requesting the President to proclaim 1964 as "See America Year." p. 15263
10. RADIATION. Passed without amendment H. R. 10437, to incorporate the National Committee on Radiation Protection and Measurements. This bill will now be sent to the President. p. 15264
11. RECLAMATION; RECREATION. Sen. Gruening inserted and discussed a report, "New Fishing Areas Opened at Bureau of Reclamation Reservoirs in West; Recreation Uses Show Large Increase." pp. 15264-7
12. GRAIN EXPORTS. Sen. Dodd questioned the Commerce Department approval for Soviet resale of American grain to Rumania. p. 15274
13. CIVIL RIGHTS. Sen. Humphrey inserted a summary of the new civil rights law. pp. 15333-4
14. ELECTRIFICATION. Sen. Morse spoke in favor of a Pacific Northwest-Southwest intertie, but questioned the Interior Department recommendations on this subject. p. 15335
15. HOUSING LOANS. The Housing Subcommittee of the Banking and Currency Committee voted favorably on an original bill embodying proposed housing amendments for 1964. p. D545
16. LEGISLATIVE PROGRAM. Sen. Mansfield said the Senate will be in session July 6-10 and that "we expect appropriation and other bills of worthwhile significance to come up" involving "the possibility of quorum calls and votes." p. 15306

MEAT IMPORTS—WILD BIRDS AND WILD ANIMALS

JULY 2, 1964.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted
the following

REPORT

[To accompany H.R. 1839]

The Committee on Finance, to whom was referred the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, having considered the same, report favorably thereon with amendments and recommended that the bill as amended do pass.

PURPOSE

House provision.—H.R. 1839 amends the tariff schedules to permit the free importation of wild birds and wild animals for exhibition.

Beef imports.—The committee amendment imposes quotas upon the importation of beef (and beef products), lamb, and mutton. In general, the quotas relate to the average annual importation of meat for the 5-year period ending on December 31, 1963.

GENERAL STATEMENT

Item 852.20 of the Tariff Schedules of the United States permits the free importation of wild animals, including birds and fish, for use in any scientific, public collection for exhibition for scientific or educational purposes. Wild animals imported for sale for such purposes, or for donation for such purposes, may not be imported free of duty.

The bill would extend this duty-free treatment to wild animals and to wild birds (and fish) imported by any importer for exhibition.

Wild animals which would most likely be imported under the provisions of item 870.30 of the Tariff Schedules of the United States, would include monkeys, elephants, leopards, lions, and snakes. Wild birds which most likely would be imported would probably consist principally of plumage birds, such as ostriches, parrots, flamingoes, etc.

This bill will permit all animal and bird exhibitors to purchase directly, or from dealers, those live specimens which they believe enhance the quality of their exhibitions without having to pay import duties directly or indirectly on such specimens.

COMMITTEE AMENDMENT

The committee amendment would impose quotas on the importation after 1964 of beef (and beef products), veal, mutton, and lamb.

For some time the Committee on Finance has been concerned with the serious plight of the domestic cattle industry. This industry has been caught in the crossfire of rising production costs and decreased product prices. Diligent efforts have been made to detect the cause and devise a remedy for the unusual situation.

In this respect, your committee by resolution adopted in executive session on November 20, 1963, directed the Tariff Commission to undertake an investigation of the impact on the domestic industry of imports of beef and beef products. Extensive hearings were also held by the Committee on Finance beginning in March 1964 and ending finally on June 17, 1964. On the final day of hearings the Secretary of Agriculture testified to efforts being made by the administration to alleviate the hardships confronting the American cattlemen.

The factual report of the Tariff Commission with respect to beef imports was received by your committee on June 30. It indicates that a number of factors contribute to the present depressed condition of the domestic cattle industry. They include—

- (a) increases in the number of head of cattle;
- (b) increases in the size of beef animals;
- (c) increases in the availability of alternative meat products;
- (d) increases in numbers of domestic animals slaughtered;
- (e) capital gains treatment on proceeds from sale of breeding stock; and
- (f) imports of foreign beef.

The increasing volume of imports of beef over the period 1956–63 is illustrated by table 1. This table indicates that imports of beef increased from 200 million pounds (carcass weight) in 1956 to 1.7 billion pounds in 1963. During the same period consumption of beef increased from 15.7 billion pounds to 18.6 billion pounds or by 3 billion pounds. Thus, foreign beef accounted for one-half of the total increased domestic use of beef over the 8-year period 1956–63.

TABLE 1.—*Beef consumption and imports (by pounds)*

[In billion pounds]

Year	Consumption	Imports
1956	15.7	0.2
1957	15.7	.4
1958	14.9	.9
1959	15.2	1.1
1960	16.2	.8
1961	16.9	1.0
1962	17.3	1.5
1963	18.6	1.7

Source: Tariff Commission Report on Beef, June 1964.

Data illustrating increases in the domestic cattle population is presented on line 6 of table 2; the increasing weights of beef cattle are illustrated on line 18; and increases in the domestic slaughter are shown on line 9.

TABLE 2.—Data relating to U.S. production of cattle, calves, beef, and veal, averages 1950-52 and 1953-57, annual 1953-63

Line No.	Item	Average, 1950-52	Average, 1953-57	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962 ¹	1963 ¹
1	Cattle and calves on farms on Jan. 1.... thousands..	82,706	95,054	94,241	95,679	96,592	95,900	92,860	91,176	93,322	96,236	97,534	100,002	103,736
2	Calves born..... do.....	36,332	41,451	41,261	42,601	42,112	41,376	39,905	38,860	38,938	39,353	40,019	41,027	41,811
3	Cattle and calves imported..... do.....	280	297	193	86	314	159	728	1,152	709	663	1,043	1,250	852
4	Deaths..... do.....	3,880	3,978	4,060	4,063	4,052	3,912	3,801	3,810	3,876	4,098	4,021	4,123	4,044
5	Exports..... do.....	9	30	15	21	35	37	44	26	51	32	24	19	23
6	Cattle and calves on farms on Dec. 31..... do.....	38,132	94,441	95,679	96,592	95,900	92,860	91,176	93,322	96,236	97,534	100,002	103,736	106,488
7	Total sent to slaughter (sum of lines 1, 2, and 3 minus lines 4, 5, and 6)..... thousands..	27,297	38,353	35,946	37,690	39,031	40,626	38,472	34,030	32,806	34,588	34,549	34,401	35,844
8	Losses in shipment, ante mortem inspection, and statistical discrepancy ² (line 7 minus line 11)..... thousands..	-408	-737	-719	-1,469	-420	-128	-949	-76	1,012	-49	1	-358	587
9	Number slaughtered:													
10	Cattle..... do.....	18,108	26,353	24,465	25,889	26,587	27,755	27,068	24,368	23,722	26,026	26,467	26,905	28,059
11	Calves..... do.....	9,597	12,737	12,200	13,270	12,894	12,999	12,353	9,738	8,072	8,611	8,081	7,854	7,198
12	Total..... do.....	27,705	39,090	36,665	39,159	39,481	40,754	39,421	34,106	31,794	34,637	34,548	34,759	35,257
13	Condemnations of carcasses:													
14	Cattle..... do.....	63	75	58	84	80	79	74	61	53	57	63	61	58
15	Calves..... do.....	39	35	29	40	37	38	33	27	22	20	20	20	19
16	Total..... do.....	102	110	87	124	117	117	107	88	75	77	83	81	77
17	Usable carcasses:													
18	Cattle (line 9 minus line 12)..... do.....	18,045	26,278	24,407	25,805	26,507	27,676	26,994	24,307	23,669	25,969	26,404	26,844	28,001
19	Calves (line 10 minus line 13)..... do.....	9,558	12,702	12,171	13,230	12,827	12,961	12,320	9,711	8,050	8,591	8,061	7,834	7,179
20	Total (line 11 minus line 14)..... do.....	27,603	38,980	36,578	39,035	39,334	40,637	39,314	34,018	31,719	34,560	34,465	34,678	35,180
21	Weight per carcass:													
22	Cattle..... pounds.....	518	513	508	502	510	521	525	547	572	567	579	570	587
23	Calves..... do.....	121	125	127	124	123	126	124	122	125	129	129	130	129
24	Total meat production:													
25	Beef..... million pounds.....	9,340	13,521	12,407	12,963	13,599	14,462	14,202	13,330	13,580	14,727	15,298	15,296	16,423
26	Veal..... do.....	1,153	1,585	1,546	1,647	1,578	1,632	1,526	1,186	1,008	1,108	1,045	1,012	927
27	Total..... do.....	10,493	15,106	13,953	14,610	15,147	16,094	15,728	14,516	14,588	15,835	16,343	16,308	17,350

¹ Preliminary.² Since cattle and calves on farms on Jan. 1, calves born, deaths, and cattle and calves on farms Dec. 31 are independent estimates, there is usually some statistical imbalance for each year.

Source: Imports and exports compiled from official statistics of the U.S. Department of Commerce; other data compiled from official statistics of the U.S. Department of Agriculture. Tariff Commission Report on Beef, June 1964.

Table 3 indicates how beef, both domestic and imported, is consumed. Domestic beef is used almost entirely for table cuts. Imported beef is used for so-called manufactured beef products, primarily hamburger.

The table illustrates that imported beef competes directly in the marketplace with domestic cow and bull beef, and indirectly with grain fed, table grade beef.

TABLE 3

Form in which beef is consumed	Domestic production			Net imports ¹	Total
	Fed cattle	2-way cattle	Cows and bulls		
Table cuts.....	7.0	2.6	(²)	0.1	9.7
Hamburger.....	2.4	.7	0.5	.8	4.4
Other processed meat products.....	.1	.4	2.3	.7	3.5
Total.....	9.5	3.7	2.8	1.6	17.6

¹ As reported by the U.S. Department of Agriculture.

² Less than 50 million pounds.

Source: Tariff Commission Report on Beef, June 1964.

Comparative prices for imported and domestic cow beef for the period July 1962 through June 1964 are illustrated (in cents per pound) by the following table included in the Tariff Commission report:

	Imported cow beef	Domestic cow beef
1962:		
July.....	39.0	43.0
October.....	39.5	42.1
1963:		
January.....	39.0	41.4
April.....	37.4	42.2
July.....	38.2	41.8
October.....	38.0	40.8
1964:		
January.....	36.1	39.1
April.....	40.9	42.7
June.....	37.4	41.8

¹ Computed from the Tuesday price quotations, as reported by the National Provisioner Daily Market Service. The quotations for imported beef refer to frozen, boneless, cow beef, 90 percent visual lean, f.o.b. port of entry, 30-day delivery; those for domestic beef refer to fresh, boneless, cow beef of cutter and canner grades, at Chicago, carlot basis. The averages for June 1964 are based only on quotations for June 2 and 9.

Source: Tariff Commission Report on Beef, June 1964.

Table 4 shows the prices per 100 pounds for choice fed steers at Chicago for the period 1956 through 1963. It indicates (with table 2) that at the very time imports of beef were sharply rising, domestic beef prices were drastically falling.

TABLE 4.—Choice fed steer prices (Chicago)

Year:	Price ¹
1956.....	\$22.30
1957.....	23.83
1958.....	27.42
1959.....	27.83
1960.....	26.24
1961.....	24.65
1962.....	27.67
1963.....	23.96

¹ Per 100 pounds.

Source: Tariff Commission Report on Beef, June 1964.

This price data strongly suggests that imported meat has played an important part in creating the distressed market conditions in the cattle industry. The pressures on domestic prices of low-priced, foreign-imported beef discourages sale of domestic livestock and encourages their return to the range where they produce new calves and add more weight, thus intensifying the problems confronting the American cattlemen.

Although it was advised that imports of beef in the future would be restricted by voluntary agreements with major exporting countries, the committee is concerned that these voluntary limitations in large part reflect the more favorable markets for beef in Europe, and that if the present market conditions there should deteriorate, we will be faced with even greater distress in our livestock industries than is apparent now.

On the basis of information presented to the committee and data contained in the Tariff Commission report, your committee has concluded that beef imports have contributed heavily to the depressed conditions in the livestock industry and that remedial legislation is warranted.

The quotas provided by the committee amendment (which are explained in more detail below) in general closely approximate the average annual imports of beef for the 5-year period ending December 31, 1963. It should be noted that the specific quotas are established in terms of the number of pounds at which the meat (or meat product) is entered for customs purposes. This makes it unnecessary to convert the entry weight into carcass or live animal equivalents.

Under the committee amendment, quarterly quotas are imposed upon the importation of beef (and beef products), mutton, and lamb imported after December 31, 1964. The amount of these quarterly quotas are as follows:

	<i>Pounds</i>
(1) Cattle meat, fresh, chilled, or frozen-----	168, 500, 000
(2) Sausage, other than pork-----	550, 000
(3) Prepared or preserved beef and veal-----	28, 700, 000
(4) Goat and sheep meat, fresh, chilled, or frozen-----	12, 850, 000
(5) Lamb meat-----	3, 200, 000

These restrictions are imposed upon the number of pounds at which the various articles are entered for customs purposes. Generally speaking, in the case of cattle meat, for example, the carcass weight equivalent of boned beef may be determined by multiplying the weight of the boned meat by one and one-half. Inasmuch as a large part of the beef imported into this country is in the form of fresh, chilled, or frozen boned beef, when converted into carcass weight equivalents the quota in category (1) above would be 1,011 million pounds on an annual basis.

The amendment provides for increases in these quotas whenever two conditions are met. First, if the average price received in the United States for the meat in question equals or exceeds 90 percent of the average parity price for such meat, and second, if the domestic slaughter of the animal involved exceeds specified amounts in 6-month periods, the quotas provided by the amendment are to be increased in the same ratio as the domestic slaughter increases.

Whenever quotas are increased under the amendment, the increase will apply for two calendar quarters.

In the case of beef and veal, the quotas may be increased when domestic slaughter of beef and veal exceeds 7,352 million pounds (carcass weight) in the specified 6-month period (the specified periods are the 6-month periods ending on March 31 and on September 30 of any year). In the case of mutton, the import quota may be increased whenever the domestic slaughter exceeds 35 million pounds for the specified 6-month period. The import quota on lamb may be increased if the domestic slaughter exceeds 350 million pounds in the specified 6-month period. As indicated above, for the quotas to be increased the domestic price must equal or exceed 90 percent of the average parity price for the animal involved. For beef cattle and calves, the price received by farmers, the average parity price and the ratio of prices received to parity prices for 6-month periods ending September 30 and March 31 for the period 1950-64 are indicated by the following data received from the Agriculture Department:

Prices and parity prices

6-month periods ending--	Beef cattle		
	Average price received by farmers	Average parity price	Parity ratio (price received as percent of parity price)
Sept. 30, 1950	\$23.60	\$17.40	136
Mar. 31, 1951	26.70	18.60	144
Sept. 30, 1951	29.40	19.80	148
Mar. 31, 1952	27.60	20.50	135
Sept. 30, 1952	25.80	21.10	122
Mar. 31, 1953	19.30	21.00	92
Sept. 30, 1953	16.60	20.90	79
Mar. 31, 1954	15.40	21.00	73
Sept. 30, 1954	16.30	21.20	77
Mar. 31, 1955	15.80	21.20	75
Sept. 30, 1955	16.10	21.20	76
Mar. 31, 1956	14.20	21.20	67
Sept. 30, 1956	15.50	21.60	72
Mar. 31, 1957	14.90	22.00	68
Sept. 30, 1957	17.80	22.40	79
Mar. 31, 1958	19.30	22.80	85
Sept. 30, 1958	22.40	23.20	97
Mar. 31, 1959	22.90	23.30	98
Sept. 30, 1959	23.60	23.20	102
Mar. 31, 1960	20.80	23.40	89
Sept. 30, 1960	20.60	23.70	87
Mar. 31, 1961	20.10	23.60	85
Sept. 30, 1961	19.80	23.70	84
Mar. 31, 1962	20.60	23.60	87
Sept. 30, 1962	21.40	23.60	91
Mar. 31, 1963	21.10	23.90	88
Sept. 30, 1963	20.20	24.00	84
Mar. 31, 1964	18.50	24.40	76

The amendment provides that the quotas shall be suspended in periods of national emergency and whenever the President determines that domestic supplies are inadequate, because of a natural disaster, to meet demand at reasonable prices. The amendment also provides that the quota for any calendar quarter may be prorated over the quarter if the Secretary of Agriculture determines and certifies to the Secretary of the Treasury that proration is necessary to prevent the disruption of the ordinary operation of the market with respect to any of the products subject to the quotas.

The amendment also authorizes the President to limit the total quantities of meat and meat products, subject to the quotas provided

by the amendment, which may be entered at any port of entry in the United States. This provision is designed to prevent meat from being imported at a single port of entry in such quantities as to disrupt the domestic market in the area of that port of entry.

It also provides that no trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this amendment.

TABLE 28.—*U.S. rates of duty in the Tariff Schedules of the United States (TSUS) for cattle, beef, and beef products, effective Aug. 31, 1963*

TSUS No.	Reference number (in table 29)	Description	Rate of duty ¹	
			1	2
100.01 (part)		Animals certified to the collector of customs by the Department of Agriculture as being pure bred of a recognized breed and duly registered in a book of record recognized by the Secretary of Agriculture for that breed, imported by a citizen or agency of the United States specially for breeding purposes, whether intended to be used by the importer himself or for sale for such purposes:		
	1	Cattle.....	Free.....	Free.
		Cattle:		
		Weighing under 200 pounds each:		
100.40	7	For not over 200,000 head entered in the 12-month period beginning Apr. 1 in any year.	1.5 cents per pound.	2.5 cents per pound.
100.43	8	Other.....	2.5 cents per pound.	2.5 cents per pound.
100.45	9	Weighing 200 pounds or more but under 700 pounds each.	2.5 cents per pound.	2.5 cents per pound.
		Weighing 700 pounds or more each:		
100.50	12	Cows imported specially for dairy purposes..	1.5 cents per pound.	3 cents per pound.
		Other:		
100.53	18	For not over 400,000 head entered in the 12-month period beginning Apr. 1 in any year, of which not over 120,000 shall be entered in any quarter beginning Apr. 1, July 1, Oct. 1, or Jan. 1.	1.5¢ per lb.	3¢ per lb.
		Other.....	2.5¢ per lb.	3¢ per lb.
100.55	19		3¢ per lb.	6¢ per lb.
106.10 (part)	21	Meats of cattle (except meat offal), fresh, chilled, or frozen.		
		Sausages, whether or not in airtight containers:		
107.20	25	Beef in airtight containers.....	15% ad val.	30% ad val.
107.25	29	Other [beef sausages not in airtight containers]..	10% ad val.	20% ad val.
		Beef and veal, prepared or preserved (except sausages):		
		Beef or veal, cured or pickled:		
107.40	27	Valued not over 30 cents per pound.....	3¢ per lb.	4.5¢ per lb.
107.45	27	Valued over 30 cents per pound.....	10% ad val.	30% ad val.
107.50	25	Beef in airtight containers.....	15% ad val.	30% ad val.
		Other:		
107.55	23 and 29	Valued not over 30 cents per pound.....	3¢ per lb.	6¢ per lb.
107.60	23 and 29	Valued over 30 cents per pound.....	10% ad val.	20% ad val.

¹ The rates in col. 1 apply to all products except (a) Philippine articles, which receive preferential treatment, (b) products of most Communist-controlled countries, which are dutiable at the rates shown in col. 2, and (c) certain products of insular possessions.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TARIFF ACT OF 1960

TARIFF SCHEDULES OF THE UNITED STATES

* * * * *

SCHEDULE 1.—ANIMAL AND VEGETABLE PRODUCTS

* * * * *

PART 2.—MEATS.

* * * * *

SUBPART B.—MEATS OTHER THAN BIRD MEAT

Subpart B[headnote]: *headnotes*

1. For the purposes of this subpart—

(a) The term “fresh, chilled or frozen” covers meats even though completely detendonized and deboned, but does not cover meats which have been prepared or preserved; and

(b) the term “prepared or preserved” covers meats even if in a fresh, chilled, or frozen state if such meats have been ground or comminuted, diced or cut into sizes for stew meat or similar uses, rolled and skewered, or specially processed into fancy cuts, special shapes, or otherwise made ready for particular uses by the retail consumer; and also covers meats which have been subjected to processes such as drying, curing, smoking, cooking, seasoning, flavoring, or to any combination of such processes.

2. (a) *BASIC QUOTAS ON MEAT AND MEAT PRODUCTS.*—*Except as otherwise provided in this headnote, the quantity of articles in each category listed in this paragraph which may be entered in any calendar quarter beginning after December 31, 1964, shall not exceed:*

(i) *In the case of articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat), 168,500,000 pounds.*

(ii) *In the case of articles specified in item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (other than lambs)), 12,850,000 pounds.*

(iii) *In the case of articles specified in item 106.30 (relating to fresh, chilled, or frozen lamb meat), 3,200,000 pounds.*

(iv) *In the case of sausages (other than sausages in chief value of pork), specified in items 107.20 and 107.25, 550,000 pounds.*

(v) *In the case of articles specified in items 107.40, 107.45, 107.50, 107.55, and 107.60 (relating to certain prepared or preserved beef and veal), 28,700,000 pounds.*

(b) ADJUSTMENT OF QUOTAS.—

(i) *BEEF AND VEAL*.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for cattle (not including calves) equals or exceeds 90 percent of the average parity price for such cattle, then for the second and third calendar quarters beginning after the close of such period the quotas specified in paragraph (a) with respect to the categories set forth in subparagraphs (i), (iv), and (v) of such paragraph are hereby increased. The amount of the increased quota for any such category shall be the amount which bears the same ratio to the amount specified in the applicable subparagraph as the number of pounds of the total commercial slaughter of cattle (not including calves) in the United States during such 6-month period bears to 7,352,000,000 pounds.

(ii) *MUTTON*.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for sheep (not including lambs and yearlings) equals or exceeds 90 percent of the average parity price for such sheep, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (ii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (ii) as the number of pounds of the total commercial slaughter of sheep (not including lambs and yearlings) in the United States during such 6-month period bears to 35,000,000 pounds.

(iii) *LAMB*.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for lambs (including yearlings) equals or exceeds 90 percent of the average parity price for such lambs, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (iii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (iii) as the number of pounds of the total commercial slaughter of lambs (including yearlings) in the United States during such 6-month period bears to 350,000,000 pounds.

(iv) DETERMINATIONS.—

(A) For purposes of this paragraph, the average price received for any article for any 6-month period, and the average parity price for such article for such period, shall be determined by averaging the appropriate figures (as published by the Secretary of Agriculture) for each of the 6 months in such period.

(B) For purposes of this paragraph, the determination of the commercial slaughter of any article for any period shall be made on the basis of dressed weight and shall be made on the basis of data for the continental United States (excluding Alaska).

(C) All determinations required by this paragraph shall be made by the Secretary of Agriculture and shall be final. All determinations required by this paragraph with respect to any 6-month period shall be made not later than the 35th day after the close of such period. If such determinations result in an increased quota, the Secretary of Agriculture shall im-

mediately certify to the Secretary of the Treasury the amount of such increased quota.

(c) *EXCEPTIONS.*—

(i) *NATIONAL EMERGENCIES.*—The operation of this headnote shall be suspended with respect to any period which the President declares to be a period of national emergency.

(ii) *NATURAL DISASTERS TO LIVESTOCK.*—The operation of this headnote shall be suspended (or the quota increased) with respect to a category specified in paragraph (a) if the President determines that because of a natural disaster to the livestock in the United States from which articles like the articles specified in such category are produced, the United States supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers therefor. Such suspension or increase shall be for such period, and any such increase shall be in such amount, as may be necessary to meet such demand, as determined and proclaimed by the President. Any determination by the President under this subsection shall be final.

(iii) *SMALL ENTRIES.*—For purposes of this headnote, any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

(d) *PRORATION OF QUOTA OVER CALENDAR QUARTER.*—If the Secretary of Agriculture determines with respect to any category specified in paragraph (a) that the articles in such category are being imported and placed in the market at such times as to disrupt the orderly operation of such market, he shall so certify to the Secretary of the Treasury. Thereafter, the calendar quarter quota for such category shall be prorated over each such quarter on such monthly (or more frequent basis) as the Secretary of Agriculture determines and certifies to the Secretary of the Treasury as being necessary to prevent the disruption of the orderly operation of such market.

(e) *ENTRY WEIGHT.*—For purposes of this headnote, the number of pounds taken into account with respect to the entry of any article shall be the number of pounds at which such article is entered for customs purposes.

(f) *PORTS OF ENTRY.*—Whenever the President deems it necessary in order to prevent the entry, at any port of entry in the United States, of excessive quantities of any of the articles in any of the categories specified in paragraph (a), he is authorized to prescribe, within the total quantities of such articles which may be entered during any period under this headnote, the maximum quantities of such articles which may be entered at such port of entry during such period.

* * * * *

SCHEDULE 8.—SPECIAL CLASSIFICATION PROVISIONS

*	*	*	*	*	*	*
	PART 4.—IMPORTATIONS OF RELIGIOUS, EDUCATIONAL, SCIENTIFIC, AND OTHER INSTITUTIONS					
	*	*	*	*	*	*
	Articles imported for use in any scientific public collection for exhibition for scientific or educational purposes:					
852. 10	Specimens of natural history, botany, or mineralogy					Free
852. 20	Wild animals (including birds and fish)-----					Free
*	*	*	*	*	*	*
	PART 6.—OTHER SPECIAL CLASSIFICATION PROVISIONS					
870. 10	Records, diagrams, and other data with regard to any business, engineering, or exploration operation conducted outside the United States, whether on paper, cards, photographs, blueprints, tapes, or other media-----					Free
	Nets or sections or parts of nets:					
870. 20	Monofilament gill nets to be used for fish sampling-----					Free
870. 25	To be used in taking wild birds under license issued by an appropriate Federal or State governmental authority-----					Free
870. 30	Wild animals (including birds and fish) imported for exhibition-----					Free



Calendar No. 1105

88TH CONGRESS
2D SESSION

H. R. 1839

[Report No. 1167]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 1963

Read twice and referred to the Committee on Finance

JULY 2, 1964

Reported by Mr. BYRD of Virginia, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That paragraph 1607(b) of the Tariff Act of 1930 (19
4 U.S.C. 1201, par. 1607(b)) is amended to read as follows:
5 “(b) Wild animals and wild birds imported specially for
6 exhibition, whether intended to be used by the importer or
7 for sale for such purpose.”

8 That (a) part 6 of schedule 8 of title I of the Tariff Act of
9 1930 (Tariff Schedules of the United States; 28 F.R., part

1 *II, August 17, 1963) is amended by adding at the end the*
 2 *following new item:*

"870.30	Wild animals (including birds and fish) imported for ex- hibition.....	Free	Free"
---------	--	------	-------

3 *(b) Part 4 of schedule 8 of such title I is amended by*
 4 *striking out item 852.20.*

5 **SEC. 2.** ~~The amendment~~ *amendments* made by the first
 6 section of this Act shall take effect on the tenth day follow-
 7 ing the date of the enactment of this Act.

8 **SEC. 3.** *Subpart B of part 2 of schedule 1 of title I of*
 9 *the Tariff Act of 1930 (Tariff Schedules of the United*
 10 *States; 28 F.R., part II, page 19, Aug. 17, 1963) is*
 11 *amended by striking out "headnote" and inserting in lieu*
 12 *thereof "headnotes", and by adding after headnote 1 the*
 13 *following new headnote:*

14 "2. (a) **BASIC QUOTAS ON MEAT AND MEAT PROD-**
 15 **UCTS.**—*Except as otherwise provided in this headnote, the*
 16 *quantity of articles in each category listed in this paragraph*
 17 *which may be entered in any calendar quarter beginning*
 18 *after December 31, 1964, shall not exceed:*

19 "(i) *In the case of articles specified in item 106.10*
 20 *(relating to fresh, chilled, or frozen cattle meat),*
 21 *168,500,000 pounds.*

22 "(ii) *In the case of articles specified in item 106.20*

(relating to fresh, chilled, or frozen meat of goats and sheep (other than lambs)), 12,850,000 pounds.

“(iii) In the case of articles specified in item 106.30 (relating to fresh, chilled, or frozen lamb meat), 3,200,000 pounds.

“(iv) In the case of sausages (other than sausages in chief value of pork), specified in items 107.20 and 107.25, 550,000 pounds.

“(v) In the case of articles specified in items 107.40, 107.45, 107.50, 107.55, and 107.60 (relating to certain prepared or preserved beef and veal), 28,700,000 pounds.

“(b) ADJUSTMENT OF QUOTAS.—

“(i) BEEF AND VEAL.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for cattle (not including calves) equals or exceeds 90 percent of the average parity price for such cattle, then for the second and third calendar quarters beginning after the close of such period the quotas specified in paragraph (a) with respect to the categories set forth in subparagraphs (i), (iv), and (v) of such paragraph are hereby increased. The amount of the increased quota for any such category shall be the amount which bears the same ratio to the amount speci-

1. *fied in the applicable subparagraph as the number of*
2 *pounds of the total commercial slaughter of cattle (not*
3 *including calves) in the United States during such*
4 *6-month period bears to 7,352,000,000 pounds.*

5 “(ii) *MUTTON.—If, for any 6-month period end-*
6 *ing on September 30 or March 31, the average price*
7 *received in the United States for sheep (not including*
8 *lambs and yearlings) equals or exceeds 90 percent of the*
9 *average parity price for such sheep, then for the second*
10 *and third calendar quarters beginning after the close of*
11 *such period the quota specified in subparagraph (ii) of*
12 *paragraph (a) is hereby increased. The amount of the*
13 *increased quota shall be the amount which bears the*
14 *same ratio to the amount specified in such subparagraph*
15 *(ii) as the number of pounds of the total commercial*
16 *slaughter of sheep (not including lambs and yearlings)*
17 *in the United States during such 6-month period bears*
18 *to 35,000,000 pounds.*

19 “(iii) *LAMB.—If, for any 6-month period ending*
20 *on September 30 or March 31, the average price re-*
21 *ceived in the United States for lambs (including year-*
22 *lings) equals or exceeds 90 percent of the average parity*
23 *price for such lambs, then for the second and third calen-*
24 *dar quarters beginning after the close of such period the*
25 *quota specified in subparagraph (iii) of paragraph (a)*

is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (iii) as the number of pounds of the total commercial slaughter of lambs (including yearlings) in the United States during such 6-month period bears to 350,000,000 pounds.

“(iv) DETERMINATIONS.—

“(A) For purposes of this paragraph, the average price received for any article for any 6-month period, and the average parity price for such article for such period, shall be determined by averaging the appropriate figures (as published by the Secretary of Agriculture) for each of the 6 months in such period.

“(B) For purposes of this paragraph, the determination of the commercial slaughter of any article for any period shall be made on the basis of dressed weight and shall be made on the basis of data for the continental United States (excluding Alaska).

“(C) All determinations required by this paragraph shall be made by the Secretary of Agriculture and shall be final. All determinations required by this paragraph with respect to any 6-month period

1 shall be made not later than the 35th day after the
 2 close of such period. If such determinations result
 3 in an increased quota, the Secretary of Agriculture
 4 shall immediately certify to the Secretary of the
 5 Treasury the amount of such increased quota.

6 “(c) *EXCEPTIONS.*—

7 “(i) *NATIONAL EMERGENCIES.*—The operation of
 8 this headnote shall be suspended with respect to any
 9 period which the President declares to be a period of
 10 national emergency.

11 “(ii) *NATURAL DISASTERS TO LIVESTOCK.*—The
 12 operation of this headnote shall be suspended (or the
 13 quota increased) with respect to a category specified in
 14 paragraph (a) if the President determines that because
 15 of a natural disaster to the livestock in the United States
 16 from which articles like the articles specified in such
 17 category are produced, the United States supplies there-
 18 of are inadequate to meet demand at reasonable prices to
 19 domestic consumers therefor. Such suspension or in-
 20 crease shall be for such period, and any such increase
 21 shall be in such amount, as may be necessary to meet
 22 such demand, as determined and proclaimed by the
 23 President. Any determination by the President under
 24 this subsection shall be final.

25 “(iii) *SMALL ENTRIES.*—For purposes of this head-

1 *note, any individual entry having an entry weight of*
2 *25 pounds or less shall not be taken into account.*

3 *“(d) PRORATION OF QUOTA OVER CALENDAR QUAR-*
4 *TER.—If the Secretary of Agriculture determines with respect*
5 *to any category specified in paragraph (a) that the articles*
6 *in such category are being imported and placed in the*
7 *market at such times as to disrupt the orderly operation of*
8 *such market, he shall so certify to the Secretary of the*
9 *Treasury. Thereafter, the calendar quarter quota for such*
10 *category shall be prorated over each such quarter on such*
11 *monthly (or more frequent basis) as the Secretary of Agri-*
12 *culture determines and certifies to the Secretary of the*
13 *Treasury as being necessary to prevent the disruption of*
14 *the orderly operation of such market.*

15 *“(e) ENTRY WEIGHT.—For purposes of this headnote,*
16 *the number of pounds taken into account with respect to the*
17 *entry of any article shall be the number of pounds at which*
18 *such article is entered for customs purposes.*

19 *“(f) PORTS OF ENTRY.—Whenever the President deems*
20 *it necessary in order to prevent the entry, at any port of*
21 *entry in the United States, of excessive quantities of any*
22 *of the articles in any of the categories specified in paragraph*
23 *(a), he is authorized to prescribe, within the total quantities*
24 *of such articles which may be entered during any period*
25 *under this headnote, the maximum quantities of such articles*

1 *which may be entered at such port of entry during such*
2 *period."*

3 *SEC. 4. No trade agreement or other international agree-*
4 *ment heretofore or hereafter entered into by the United*
5 *States shall be applied in a manner inconsistent with the*
6 *requirements of section 3 of this Act.*

Amend the title so as to read: "An Act to amend the
Tariff Act of 1930 to provide for the free importation of
wild animals and wild birds which are intended for exhibition
in the United States, and to impose quotas on imports of
meat and meat products."

Passed the House of Representatives February 26, 1963.

Attest: RALPH R. ROBERTS,

Clerk.

88TH CONGRESS
2^D SESSION

H. R. 1839

[Report No. 1167]

AN ACT

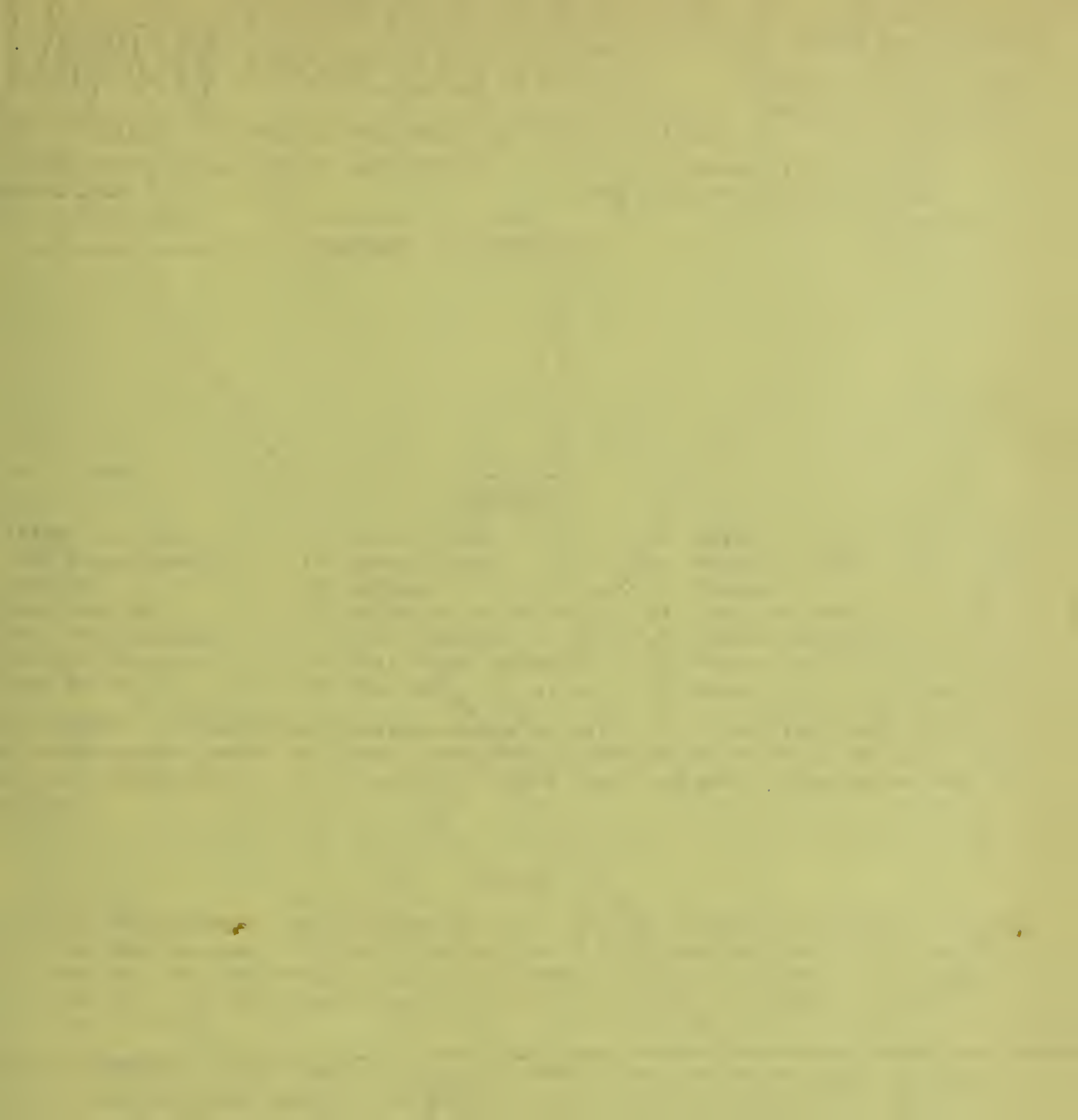
To amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

FEBRUARY 28, 1963

Read twice and referred to the Committee on Finance

JULY 2, 1964

Reported with amendments



Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
Washington, D. C. 20250

Issued July 10, 1964

For actions of July 9, 1964

Official business Postage and fees paid

88th-2nd; No. 136

U. S. Department of Agriculture

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HIGHLIGHTS: Senate debated dual-compensation bill. Sen. Mansfield spoke in favor of meat-imports amendment. Senate received appropriation estimates for USDA. Sen. Metcalf defended REA. Rep. Snyder criticized wheat and area redevelopment programs.

SENATE

1. DUAL COMPENSATION. Began debate on H. R. 7381, to simplify, modernize, and consolidate the laws relating to employment of civilians in more than one position and the laws concerning civilian employment of retired members of the uniformed services. It was agreed that debate will be limited to 2 hours on July 20.
pp. 15638-44
2. MEAT IMPORTS. Sen. Mansfield spoke in favor of his amendment (to H. R. 1839) to restrict meat imports. p. 15653
3. APPROPRIATIONS. Received from the President the following 1965 Budget Amendments: Increases for work in the Department on pesticides research, regulation, and education as follows: Agricultural Research Service, \$14,458,000; Cooperative State Research Service, \$8,792,000; Extension Service, \$2,300,000; Economic Research Service, \$500,000; National Agricultural Library, \$200,000; and Forest Service, \$2,750,000. The document also contains 1965 budget amendments decreasing the request for Public Law 480 by \$43,547,000 under Title IV, commodities disposed of for emergency famine relief to friendly peoples, and \$3,000,000 under Title IV, long-term supply contracts. In addition, the document contains a budget amendment of \$800,000 for the Public Health Service for a program of survey and sampling of lower Mississippi River waters to determine causes of the large-scale fish kills (S. Doc. 85). To Appropriations Committee.
p. 15606

4. ELECTRIFICATION. Sen. Metcalf defended REA against charges by the Republican Citizens Committee and inserted various statements on this matter. pp. 15625-23
Sen. Morse criticized Secretary Udall's proposed electric-power intertie plan. pp. 15691-3
5. SMALL BUSINESS. Received the annual report of the Small Business Committee (S. Rept. 1180). p. 15606
6. ALASKA RELIEF. Sen. Bartlett inserted Robert E. Wolf's report on his inspection of Alaskan earthquake damage. pp. 15619-21
7. CONSERVATION. Sen. McGovern commended the conservation record of the 88th Congress. pp. 15635-6
8. WATER. Sen. Morse inserted a talk by President Jensen, of Oregon State University, "Water--Its Role in Our Future." pp. 15693-5
9. LEGISLATIVE PROGRAM. Agreed that, immediately after convening today (July 10), the Senate will adjourn, without business or debate, until July 20 (p. 15644). Authorized all committees to file reports during the recess (p. 15605). Sen. Mansfield indicated that, upon returning, the Senate will consider H. R. 8864, International Coffee Agreement; S. 2272, stockpile disposal; S. 332, to prohibit futures trading in Irish potatoes; S. 2642, poverty bill; H. R. 11380, foreign aid; housing (an original bill) bill; S. 1147, forest roads; and H. R. 1839, meat-import restrictions. pp. 15644-6

ITEMS IN APPENDIX

10. CONSERVATION. Sen. Williams, N. J., urged preservation of natural resources and inserted statements made during dedication ceremonies of Great Swamp National Wildlife Refuge. p. A3727
11. WHEAT; AREA REDEVELOPMENT. Rep. Snyder inserted his newsletter in which he criticized the new wheat bill and area redevelopment programs. pp. A3727-8
12. FARM LABOR. Sen. Williams, N. J., inserted a NAACP resolution urging legislation to protect migrant farm workers. pp. A3728-9

BILLS INTRODUCED

13. RESEARCH. S. 2990, by Sen. Magnuson, to establish a National Oceanographic Council; to Commerce Committee. Remarks of author, pp. 15607-9

BILL APPROVED BY THE PRESIDENT

14. TRANSPORTATION. S. 6, the Urban Mass Transportation Act of 1964. Approved July 9, 1964 (Public Law 88-365).

"Why man, it's the only way to see the country. I get in this car in Denver and I go roaring over the Rocky Mountains at 60 miles an hour, and then I come out onto the desert and zoom along at 80, running down prairie dogs, birds, snakes, heifers—anything that gets between me and Oregon."

"That's right clever," the oldtimer said. "Kills your food for you as it goes along." He was hopelessly out of touch.

"No, it just kills these animals because they get in the way. When we want to eat we stop at a burgerama and have some dehydrated, frozen, sanitized beef patties with plenty of catsup and mustard to give them taste."

"It's a miracle," the oldtimer said. "If we'd had some of those cars and burgeramas in 1818 and 1843, we couldn't have starved for 2 months coming across the desert."

The old fellow clawed some dust out of his beard and eyed the camera. "What's that iron box?"

"This makes pictures. Just like little paintings. We come roaring across the desert at 80 miles an hour and see a fine big mountain or a vast dust bowl, and we take its picture. See?"

NOT FOR BEAVER

"I can't see what you want with a picture. Seeing things with your own eyes is better than having little pictures of them." He was pure 19th century.

"Look when you're going toward Oregon at 600 miles a day, you don't have time to look at anything but the road so you take pictures all along the way. Then when you get to Oregon you have a record of what you didn't see."

The old man changed the subject. "What are you going to do in Oregon?" he asked. "Farm or trap beaver? I hear the beaver up there is really something."

"I'm afraid the world has gotten away from you. Nobody traps beaver any more, and not many people farm. Nowadays people go to Oregon to sell cars or go into the burgerama business, and a lot of people go just so they can come back home and say they've been there. That's what we call tourism."

A CASE OF WEAK VISION

"A strange business," the oldtimer grumbled. "You mean that people are hurrying out there at 80 miles an hour, taking those silly new fangled pictures, killing the wildlife, killing their gizzards with that dehydrated, frozen, sanitized beef, and not seeing anything along the way—and going to all that misery just so they can go back home and say they've been there?"

"That's what we call tourism, oldtimer. It's one of the things that make this country dynamic, powerful, prosperous. And we owe it all to you for opening up this territory. You ought to be mighty proud."

"Not me," the old fellow protested. "All I wanted was beaver. I never thought I was leading the country into any such idle silliness as this. If you take my advice, young man, you will get out of that car, put that camera away, quit eating those burgers, and go back to living." With that he vanished irascibly.

That was the trouble with those oldtimers. The beaver blotted out their vision of the American future.

FORTIETH ANNIVERSARY OF THE ROGERS ACT

Mr. PELL. Mr. President, a very significant event occurred on July 1, and that was the 40th anniversary of the Rogers Act, the cornerstone of our modern Foreign Service. I am particularly interested in this anniversary because I

am informed I am the first Foreign Service officer to serve in the U.S. Senate since the passage of this act.

Named for the John Jacob Rogers, Representative from Massachusetts, the act was the culmination of a long struggle to remove the Foreign Service from politics. It established the merit principle as the basis of recruitment, and it consolidated and amalgamated the diplomatic and consular services. Thus it laid the foundation for our present day Foreign Service, which I believe compares favorably with any other in the world.

At a period in our history when the freedoms which we celebrated on July 4 and threatened by dangerous and insidious enemies throughout the world and when we need the very best diplomats our country can provide, it is fitting that we commemorate the 40th anniversary of the Rogers Act, which occurred on July 1. For if the Rogers Act is not the most recent legislation which significantly affects our Foreign Service, it is the rock upon which all other acts—such as the Foreign Service Act of 1946, or the "Wristonization" program of a decade later—have been built.

The Rogers Act gave shape and form to a previously amorphous structure. As far as the administration of U.S. foreign policy is concerned, probably no legislation has been more meaningful. Forty years later it remains a landmark.

As a former Foreign Service officer, I am most pleased to bring this anniversary to the attention of my colleagues.

AMENDMENT OF TARIFF ACT OF 1930—REGULATION OF IMPORTATION OF BEEF

Mr. DIRKSEN. Mr. President, the distinguished majority leader announced that in the week of July 20, the Senate would take up Calendar No. 1105, H.R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States. I understand that the bill contains other items; and I thought that perhaps the majority leader would like to make a brief explanation of the rest of the bill.

Mr. MANSFIELD. Yes, there is much more to H.R. 1839 than to provide for the free importation of wild animals and wild birds.

The bill considers the question of the importation of beef into the United States, imports which reached an exorbitant level last year, so that they comprised 11 percent of the total.

This year, imports are down to approximately the amount I endeavored to bring them to under the Mansfield amendment; namely, the average of the past 5 years, 1959 to 1963, inclusive. This would reduce the amount of imports from 11 percent to around 6 percent. It is my understanding that the imports of beef will be below the 6-percent level for the rest of this year and that this situation will very likely continue into next year, as well. This is because Australia and New Zealand, principally have found

that there is a demand in Western European markets, primarily, for their cutter stock, and also because, despite overproduction and overfeeding in this country, there happens to be a world shortage of meat, and we are finding new markets in France and Italy and, I believe, most recently, in Israel.

Furthermore, the Department of Agriculture is spending close to \$100 million in the buying of domestic beef. The Department of Defense has purchased on the order of 100 million pounds of domestically produced beef. All Defense Department purchases of beef for Western Europe, which used to be in the large part from the Western European countries, are now made in this country.

I believe the amendment I have submitted is better than the substitute adopted by the Committee on Finance and offered by the distinguished Senator from Nebraska [Mr. CURTIS].

It had been my intention, as the minority leader is well aware, to call up the bill this week, because it has been cleared by the Committee on Finance. On last Monday, the Democratic policy committee cleared it, as well. However, because a good many Republicans were interested, for some reason or other, in what is transpiring and will transpire in San Francisco, it was deemed not advisable to bring up the bill this week, and at their request its consideration was postponed. However, as I announced earlier, sometime after the Senate reconvenes on July 20 the bill will be laid before the Senate for consideration and debate.

Mr. DIRKSEN. I thank the Senator from Montana.

Mr. MORSE. Mr. President, I am very glad to hear the explanation of the bill. I want the Senator from Montana to know that I am wholeheartedly behind him in his endeavor to have the bill passed. It is a bill which seeks to bring at least some assistance and relief to one of the most depressed industries in this country—the livestock industry.

I wonder whether the bill goes far enough. We might as well do the job completely when we have an opportunity to do so. However, I believe that we are going to find that all the alibis given to the beef industry by the Secretary of Labor to date are most unacceptable, because in my opinion they are highly fallacious and will not give the beef industry the protection to which it is entitled under the existing circumstances.

LIMITED FINANCIAL DISCLOSURE BY SENATORS AND SENATE OFFICERS AND EMPLOYEES

Mr. CLARK. Mr. President, yesterday, I sent to the desk, for printing, a number of amendments which I presently intend to call up when the two resolutions, Senate Resolution 337 and Senate Resolution 338, are called up from the calendar.

These two resolutions constitute the recommendations of the Committee on Rules and Administration for a limited financial disclosure by Senate officers, employees, and Members of the Senate.

These recommendations result from the investigation by the committee into the activities of Mr. Bobby Baker. The report of the Rules Committee, including dissenting views, was filed yesterday.

The two resolutions to which I refer appeared on the calendar on June 29 and July 1, respectively.

The second of the two resolutions was drafted by me, as a member of the committee; and I am happy that it met with the approval of my colleagues on the committee.

However, in my opinion, the provisions for disclosure recommended by a majority of the committee are inadequate to effectuate the results they are intended to bring about. For that reason, I am prepared to offer an amendment in the nature of a substitute. If, unhappily, the substitute should not be adopted, then I shall offer a total of 10 amendments which would considerably strengthen and stiffen the recommendations of the full committee.

In order that Senators may have an opportunity to consider and study this controversial matter before the amendments to the resolutions are called up on the floor of the Senate, I ask unanimous consent that each of my amendments, in the order in which yesterday I asked to have them printed and marked, be printed in the RECORD, accompanied by a brief explanation of each amendment as it appears, with identical numbering on pages 5, 6, and 7 of the individual views which I filed in connection with the report of the Committee on Rules and Administration to accompany Senate Resolution 337, which is Calendar No. 1067.

There being no objection, the amendments and the explanations were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1097

Beginning with line 4, page 1, strike out all to and including line 14, page 5, and insert in lieu thereof the following:

"RULE XLI

"Disclosure of financial interests

"1. Each individual who at any time during any calendar year serves as a Member of the Senate, or as an officer or employee of the Senate compensated at a gross rate in excess of \$10,000 per annum, shall file with the Secretary of the Senate for that calendar year a written report containing the following information:

"(a) The fair market value of each asset having a fair market value of \$5,000 or more held by him or by his spouse, or by him and his spouse jointly, exclusive of any dwelling occupied as a residence by him or by members of his immediate family, at the end of that calendar year;

"(b) The amount of each liability in excess of \$5,000 owed by him or by his spouse, or by him and his spouse jointly at the end of that calendar year;

"(c) The total amount of all capital gains realized in excess of \$5,000, and the source and amount of each capital gain realized in any amount exceeding \$5,000, during that calendar year by him, by his spouse, by him and his spouse jointly, or by any person acting on behalf or pursuant to the direction of him or his spouse, or him and his spouse jointly, as a result of any transaction or series of related transactions in securities or commodities, or any purchase or sale of real property or any interest therein other than a dwelling occupied as a residence by him or by members of his immediate family;

"(d) The source and amount of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from any relative or his spouse) received by or accruing to him, his spouse, or to him and his spouse jointly from any source other than the United States during that calendar year, which exceeds \$100 in amount or value; including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, or other facilities received by him in kind;

"(e) The name and address of any professional firm which engages in practice before any department, agency or instrumentality of the United States in which he has a financial interest; and the name, address, and a brief description of the principal business of any client of such firm for whom any services involving representation before any department, agency or instrumentality of the United States which were performed during that calendar year, together with a brief description of the services performed, and the total fees received or receivable by the firm as compensation for such services;

"(f) The name, address, and nature of the principal business or activity of each business or financial entity or enterprise with which he was associated at any time during that calendar year as an officer, director, or partner, or in any other managerial capacity.

"2. Each asset consisting of an interest in a business or financial entity or enterprise which is subject to disclosure under paragraph 1 shall be identified in each report made pursuant to that paragraph by a statement of the name of such entity or enterprise, the location of its principal office, and the nature of the business or activity in which it is principally engaged or with which it is principally concerned, except that an asset which is a security traded on any securities exchange subject to supervision by the Securities and Exchange Commission of the United States may be identified by a full and complete description of the security and the name of the issuer thereof. Each liability which is subject to disclosure under paragraph 1 shall be identified in each report made pursuant to that paragraph by a statement of the name and the address of the creditor to whom the obligation of such liability is owed.

"3. Except as otherwise hereinafter provided, each individual who is required by paragraph 1 to file a report for any calendar year shall file such report with the Secretary of the Senate not later than January 31 of the next following calendar year. No such report shall be required to be made for any calendar year beginning before January 1, 1964. The requirements of this rule shall apply only with respect to individuals who are Members of the Senate or officers or employees of the Senate on or after the date of adoption of this rule. Any individual who ceases to serve as a Member of the Senate or as an officer or employee of the Senate, before the close of any calendar year shall file such report on the last day of such service, or on such date not more than three months thereafter as the Secretary of the Senate may prescribe, and the report so made shall be made for that portion of that calendar year during which such individual so served. Whenever there is on file with the Secretary of the Senate a report made by any individual in compliance with paragraph 1 for any calendar year, the Secretary may accept from that individual for any succeeding calendar year, in lieu of the report required by paragraph 1, a certificate containing an accurate recitation of the changes in such report which are required for compliance with

the provisions of paragraph 1 for that succeeding calendar year, or a statement to the effect that no change in such report is required for compliance with the provisions of paragraph 1 for that succeeding calendar year.

"4. Reports and certificates filed under this rule shall be made upon forms which shall be prepared and provided by the Secretary of the Senate, and shall be made in such manner and detail as he shall prescribe. The Secretary may provide for the grouping within such reports and certificates of items which are required by paragraph 1 to be disclosed whenever he determines that separate itemization thereof is not feasible or is not required for accurate disclosure with respect to such items. Reports and certificates filed under this rule shall be retained by the Secretary as public records for not less than six years after the close of the calendar year for which they are made, and while so retained shall be available for inspection by members of the public under such reasonable regulations as the Secretary shall prescribe.

"5. As used in this rule—

"(a) The term 'asset' includes any beneficial interest held or possessed directly or indirectly in any business or financial entity or enterprise, or in any security or evidence of indebtedness, but does not include any interest in any organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code;

"(b) The term 'liability' includes any liability of any trust in which a beneficial interest is held or possessed directly or indirectly;

"(c) The term 'income' means gross income as defined by section 61 of the Internal Revenue Code of 1954.

"(d) The term 'security' means any security as defined by section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

"(e) The term 'commodity' means any commodity as defined by section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

"(f) The term 'dealing in securities or commodities' means any acquisition, transfer, disposition, or other transaction involving any security or commodity.

"(g) The term 'officer or employee of the Senate' means (1) an elected officer of the Senate who is not a Member of the Senate, (2) an employee of the Senate of any committee or subcommittee of the Senate, (3) the Legislative Counsel of the Senate and employees of his office, (4) an Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties, (5) a member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate, (6) an employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate, (7) an employee of a Member of the Senate if such employee's compensation is disbursed by the Secretary of the Senate, and (8) an employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate.

"RULE XLII

"Prohibited activities

"1. No Member of the Senate and no officer or employee of the Senate may engage or participate in any business or financial venture, enterprise, combination or transaction with any person, firm, or corporation which is—

"(a) engaged in any lobbying activity;

"(b) engaged for compensation in the practice of rendering advisory or public relations services relating to the securing of contracts with the United States or any department, agency, or instrumentality thereof; or

"(c) engaged in, or seeking to become engaged in, the performance of any construc-

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

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OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, D. C. 20250

Official business

Postage and fees paid

U. S. Department of Agriculture

Issued July 28, 1964

For actions of July 27, 1964

88th-2nd; No. 143

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HIGHLIGHTS: House subcommittee voted to report bills to: Extend technical help in community projects; Increase crop-insurance counties; and re election and function of ASC committeemen. Senate began debate on bill with meat-import restrictions. Senate subcommittees voted to report independent offices appropriation bill and Public Land Review Commission bill.

HOUSE

1. AGRICULTURE COMMITTEE. A subcommittee of the Agriculture Committee voted to report to the full committee H. R. 5406, with amendment, to authorize the Secretary of Agriculture to cooperate with States in planning changes in use of agricultural land; H. R. 9178, to amend the Soil Conservation and Domestic Allotment Act regarding election and functioning of ASC committeemen; S. 277, to increase the number of new counties in which crop insurance may be offered; and H. R. 8290, with amendment, to accept a transfer of certain lands within Everglades National Park. p. D593
2. CONTAINERS. Concurred in the Senate amendment to H. R. 6413, to permit the sale in D.C. of milk and ice cream and other frozen dairy products in smaller containers than now permitted. This bill will now be sent to the President. p. 18400

SENATE

3. MEAT IMPORTS. Began debate on H. R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, including an amendment which would impose quotas on the importation of meat and meat products. pp. 16495-5054

4. RECLAMATION. Both Houses received a letter from Interior reporting that a soil survey and land classification has been made of the lands in the Clear Creek South Unit, Trinity River Division, Central Valley project, Calif., and that the lands to be irrigated are susceptible to the production of agricultural crops. pp. 16420, 16421
The Irrigation and Reclamation Subcommittee approved for full committee consideration the Moss substitute to S. 1658, authorizing construction and operation of the Central Arizona project, Arizona and New Mexico. p. D592
 5. RECREATION. Sen. Douglas urged approval of S. 2249, to establish the Indiana Dunes National Lakeshore, and inserted an editorial praising the bill as "a realistic and workable compromise." pp. 16438-9
 6. EDUCATION. Sen. Hartke inserted a letter praising the work-study provisions of S. 2490, the college student assistance bill. p. 16439
 7. APPROPRIATIONS. A subcommittee of the Appropriations Committee approved with amendments for full committee consideration H. R. 11296, the independent offices appropriation bill. p. D592
 8. PUBLIC LANDS. The Public Lands Subcommittee of the Interior and Insular Affairs Committee approved with amendments for full committee consideration H. R. 8070, to establish a Public Land Law Review Commission, and H. R. 5498, authorizing the sale of public lands not needed for Federal program requirements. p. D592
- ITEMS IN APPENDIX
9. WHEAT; FLOUR. Rep. Findley inserted an article, "Freeman Blunders on Wheat, Flour Prices..." pp. A3904-5
 10. NATIONAL PARK. Extension of remarks of Rep. McFall inserting Rep. Johnson's speech in which he traced the history of Yosemite National Park. pp. A3906-7
 11. POVERTY. Extension of remarks of Rep. Pucinski inserting an article "which clearly and concisely marshals the arguments as to why President Johnson's bold program to reduce poverty in this country is urgently needed." pp. A3907-8
 12. APPALACHIA. Extension of remarks of Rep. Schwengel inserting excerpts from a radio interview in which Rep. Mahon expressed his opinion that the proposed Appalachian bill is "too ambitious." p. A3910
 13. CORN. Extension of remarks of Sen. Hartke praising the development of a high-protein corn and inserting an editorial noting the great possibilities for use of this corn in underdeveloped nations. pp. A3893-4
 14. CANTALOUPS. Extension of remarks of Sen. Yarborough and insertion of an article praising the qualities of Pecos Valley, Tex., cantaloups. p. A3896
 15. ECONOMY. Rep. Udall inserted an article outlining the posture of the Nation's economy. pp. A3897-9.
 16. TAXES. Sen. Johnston and Rep. Pucinski inserted an article by Paul Samuelson showing the salutary effects on the economy of the tax cut. pp. A3900-1, A3903

grams is authoritarianism. This use of the terms is neither arbitrary nor pejorative, but in accordance with traditional understanding of the viewpoints denoted by these terms. Walter Lippmann says: " * * * in a liberal democracy the law must seek primarily to regulate human affairs by a system of individual rights and duties rather than by administrative commands from the ruling officialdom. In broad terms we may then say that liberalism seeks to govern primarily by applying and perfecting reciprocal obligations, whereas authoritarianism governs primarily by the handing down of decrees."⁵ The freedom of the individual and the achievement of the good society depend upon the method and the spirit of liberalism.

This is not, however, the last word on the subject. Government and law do not define the whole of a man's duties or establish all of the obligations of a citizen. Beyond the law lie ethics and morals. The law does indeed reflect an ethical and a moral base, and it is certainly an ethical and a moral duty to obey the law, but all philosophers are agreed that ethics and morals go far beyond the law.

There are fields in which social standards are relatively arbitrary and are therefore largely established by law. For example, the law establishes the speed limit to be observed in driving automobiles, and in most circumstances there is no ethical duty to observe any other speed limit. Similarly, the law specifies a number of fairly arbitrary rules for determination of tax liability, and there is no ethical duty to pay any more tax than the amount set by law. On the other hand, as to most activities the law specifies only a minimum standard and ethics and morals carry us far beyond our legal duty. For example, the law requires a man to make provision for feeding, clothing, and housing his wife and children. However, it is a contemptible man indeed who gives his wife and children no more than the law requires. Similarly, the law does not require that anyone give to charity, help the needy or helpless, engage in civic activities or even take the time and trouble to vote; and yet all these things, and many more, are required by basic ethical and moral standards.

Therefore, the conclusion that the Government should not or does not require a broadcaster to do more than avoid certain objectionable programs and devote a minimum amount of time to the journalistic function should not lead one to believe that this is the full definition of his duty. Indeed, the full development of professional ethics and personal morals in this field may be hindered, rather than helped, by the assumption that the Government is competent or willing to define the full duty of the broadcaster. It should be far more important to the American broadcaster, and it should require a far higher standard of performance, for him to satisfy his conscience than to satisfy the Commission. Anyone who is qualified to be a broadcaster certainly should meet the programming requirements of the Commission if he fully satisfies his own conscience. To do this, however, broadcasters must rely less on their ratings and more on their judgment. They must count their contributions as well as their collections. They must consider posterity as important as popularity.

Broadcasters should recognize that the role of law in broadcasting is to secure order and preserve freedom without which broadcasting cannot exist or function. On the other hand, broadcasting has a unique and important role to play in preserving and protecting democratic government, which is the source and foundation of law, order and liberty. In a democratic society the law pro-

fects the people, and the people preserve the law. As our basic laws were established and ordained by the people, their vitality is in the heart of the people and their bastion is the public conscience. The supreme moral and ethical duty of every broadcaster as a broadcaster is to serve and preserve democracy and its laws. The survival of this Nation may depend in large part upon whether the spirit of our law lives in the heart and conscience of those who control American broadcasting.

GOVERNMENT OPERATIONS COMMITTEE MEETING DURING SENATE SESSION THIS WEEK

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Government Operations was authorized to meet during the sessions of the Senate for the remainder of the week.

MEAT IMPORTS—WILD ANIMALS AND WILD BIRDS

Mr. MANSFIELD. Mr. President, in view of the fact that there is no business pending before the Senate at this time, I move that the Senate proceed to the consideration of Calendar No. 1105, H.R. 1839.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments, on page 1, at the beginning of line 3, after the enacting clause, to strike out:

That paragraph 1607(b) of the Tariff Act of 1930 (19 U.S.C. 1201, par. 1607(b)) is amended to read as follows:

"(b) Wild animals and wild birds imported specially for exhibition, whether intended to be used by the importer or for sale for such purpose."

And, in lieu thereof, to insert:

That (a) part 6 of schedule 8 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, August 17, 1963) is amended by adding at the end the following new item:

"870.30	Wild animals (including birds and fish) imported for exhibition.....	Free	Free"
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(b) Part 4 of schedule 8 of such title I is amended by striking out item 852.20.

On page 2, line 5, after the word "The", to strike out "amendment" and insert "amendments"; and after line 7, to insert a new section, as follows:

SEC. 3. Subpart B of part 2 of schedule 1 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, page 19, Aug. 17, 1963) is amended by striking out "headnote" and inserting in lieu thereof "headnotes", and by adding after headnote 1 the following new headnote:

"2. (a) BASIC QUOTAS ON MEAT AND MEAT PRODUCTS.—Except as otherwise provided in

this headnote, the quantity of articles in each category listed in this paragraph which may be entered in any calendar quarter beginning after December 31, 1964, shall not exceed:

"(i) In the case of articles specified in item 106.10 (relating to fresh, chilled, or frozen cattle meat), 168,500,000 pounds.

"(ii) In the case of articles specified in item 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (other than lambs)), 12,850,000 pounds.

"(iii) In the case of articles specified in item 106.30 (relating to fresh, chilled, or frozen lamb meat), 3,200,000 pounds.

"(iv) In the case of sausages (other than sausages in chief value of pork), specified in items 107.20 and 107.25, 550,000 pounds.

"(v) In the case of articles specified in items 107.40, 107.45, 107.50, 107.55, and 107.60 (relating to certain prepared or preserved beef and veal), 28,700,000 pounds.

"(b) ADJUSTMENT OF QUOTAS.—

"(i) BEEF AND VEAL.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for cattle (not including calves) equals or exceeds 90 percent of the average parity price for such cattle, then for the second and third calendar quarters beginning after the close of such period the quotas specified in paragraph (a) with respect to the categories set forth in subparagraphs (i), (iv), and (v) of such paragraph are hereby increased. The amount of the increased quota for any such category shall be the amount which bears the same ratio to the amount specified in the applicable subparagraph as the number of pounds of the total commercial slaughter of cattle (not including calves) in the United States during such 6-month period bears to 7,352,000,000 pounds.

"(ii) MUTTON.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for sheep (not including lambs and yearlings) equals or exceeds 90 percent of the average parity price for such sheep, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (ii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (ii) as the number of pounds of the total commercial slaughter of sheep (not including lambs and yearlings) in the United States during such 6-month period bears to 35,000,000 pounds.

"(iii) LAMB.—If, for any 6-month period ending on September 30 or March 31, the average price received in the United States for lambs (including yearlings) equals or exceeds 90 percent of the average parity price for such lambs, then for the second and third calendar quarters beginning after the close of such period the quota specified in subparagraph (iii) of paragraph (a) is hereby increased. The amount of the increased quota shall be the amount which bears the same ratio to the amount specified in such subparagraph (iii) as the number of pounds of the total commercial slaughter of lambs (including yearlings) in the United States during such 6-month period bears to 350,000,000 pounds.

"(iv) DETERMINATIONS.—

"(A) For purposes of this paragraph, the average price received for any article for any 6-month period, and the average parity price for such article for such period, shall be determined by averaging the appropriate figures (as published by the Secretary of Agriculture) for each of the 6 months in such period.

"(B) For purposes of this paragraph, the determination of the commercial slaughter of any article for any period shall be made on the basis of dressed weight and shall be

⁵ Lippmann, Walter, "The Good Society," Boston: Little, Brown & Co., 1943, p. 289.

made on the basis of data for the continental United States (excluding Alaska).

"(C) All determinations required by this paragraph shall be made by the Secretary of Agriculture and shall be final. All determinations required by this paragraph with respect to any 6-month period shall be made not later than the 35th day after the close of such period. If such determinations result in an increased quota, the Secretary of Agriculture shall immediately certify to the Secretary of the Treasury the amount of such increased quota.

"(c) EXCEPTIONS.—

"(i) NATIONAL EMERGENCIES.—The operation of this headnote shall be suspended with respect to any period which the President declares to be a period of national emergency.

"(ii) NATURAL DISASTERS TO LIVESTOCK.—The operation of this headnote shall be suspended (or the quota increased) with respect to a category specified in paragraph (a) if the President determines that because of a natural disaster to the livestock in the United States from which articles like the articles specified in such category are produced, the United States supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers therefor. Such suspension or increase shall be for such period, and any such increase shall be in such amount, as may be necessary to meet such demand, as determined and proclaimed by the President. Any determination by the President under this subsection shall be final.

"(iii) SMALL ENTRIES.—For the purposes of this headnote, any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

"(d) PRORATION OF QUOTA OVER CALENDAR QUARTER.—If the Secretary of Agriculture determines with respect to any category specified in paragraph (a) that the articles in such category are being imported and placed in the market at such times as to disrupt the orderly operation of such market, he shall so certify to the Secretary of the Treasury. Thereafter, the calendar quarter quota for such category shall be prorated over each such quarter on such monthly (or more frequent basis) as the Secretary of Agriculture determines and certifies to the Secretary of the Treasury as being necessary to prevent the disruption of the orderly operation of such market.

"(e) ENTRY WEIGHT.—For the purposes of this headnote, the number of pounds taken into account with respect to the entry of any article shall be the number of pounds at which such article is entered for customs purposes.

"(f) PORTS OF ENTRY.—Whenever the President deems it necessary in order to prevent the entry, at any port of entry in the United States, of excessive quantities of any of the articles in any of the categories specified in paragraph (a), he is authorized to prescribe, within the total quantities of such articles which may be entered during any period under this headnote, the maximum quantities of such articles which may be entered at such port of entry during such period."

SEC. 4. No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of section 3 of this Act.

Mr. MANSFIELD. Mr. President, as Senators know, there has developed over the past several years a situation relative to beef imports which is a matter of great concern to the cattle industry of this country.

I point out that, on the basis of imports in 1963, Australia, New Zealand, Ireland, and a few other countries were able to take under their control, in effect,

a market in this country equal to 11 percent of the total production of the United States.

In January of this year an agreement was entered into between this Government and the Governments of Australia, New Zealand, Ireland, and other countries, by means of which, for the calendar year 1964, imports from those countries would be reduced to a figure approximately 4 percent below the 1963 level.

The reduction in imports has been emphasized, due to the fact that there is a meat shortage throughout many parts of the world. It has also been emphasized due to the fact that the Australians and New Zealanders have been shipping more beef, veal, mutton, and lamb to Western Europe, and they have less to export to the United States.

Furthermore, this Government has entered into a very strong beef buying program, to the extent that something in excess of \$100 million has been spent on beef purchases for the use of our Armed Forces overseas, for the school-lunch programs, and for aid to needy families.

In addition, our Government, which used to buy beef for U.S. forces in Western Europe, now no longer buys its beef there, but ships it from the United States. The U.S. Government has also sent trade missions abroad, seeking to promote the sale of beef overseas which have been successful in finding new markets in Italy, France, England, and most recently in Israel.

All these factors, of course, have played a part in strengthening the price of beef to a considerable extent, especially in the past month or so.

Nevertheless, 11 percent of the market is still an excessive guarantee to any foreign country or to any set of foreign countries.

Under the agreement entered into by this Government, beginning in 1965, the 4-percent reduction for 1963 would gradually be lifted. It would permit increases in the years ahead, and by 1966 or 1967 imports would exceed in poundage the imports from Australia and New Zealand and other countries in the year 1963.

Much has been said to the effect that we should do nothing about this problem because the Kennedy round tariff negotiations are in operation at Geneva at the present time. I point out that other countries can at any time, when they consider imports to be a danger to their economy, immediately stop imports in the protection of their domestic beef industry.

The Australians have set up a board for this purpose, which performs far better in behalf of Australian beef than does the Tariff Commission in behalf of American beef.

A great many problems exist in the cattle industry and in the beef industry, and imports of beef happen to be only one of the difficulties. There has been a great deal of overproduction in this country. There has been too much overfeeding of cattle in this country. Ranchers have been getting away from the cutters, up to the 800-, 900-, 1,000-, 1,100-, and 1,200-pound class. Furthermore, there are many Johnny-come-lately, sideline ranchers—doctors, and

lawyers, for example—who do not make their livelihood from the production of cattle, but who use the cattle industry as a supplement to their main means of making a living. They, of course, are not hurt, because they have other means of making a livelihood to fall back on. However, the small rancher, the little cowman, is being hurt, and he is entitled to protection.

I intend, at the appropriate time, to offer an amendment which will seek to restore to the bill before the Senate the amendment which I submitted to H.R. 1839 at the time the hearings were begun before the Committee on Finance, under the chairmanship of the distinguished Senator from Virginia [Mr. BYRD].

That amendment was sidetracked in favor of the Curtis amendment which, in my opinion, goes too far. However, we will come to that at the right time, and attend to it in the right manner.

I also point out to the Members of this body that this is an important economic matter not only for the State of Montana, but it is an important factor in the economy of 37 States. I would hope that as we go along with the debate, we will consider the plight in which the American cattle industry finds itself, and recognize that, while imports are only one of a number of difficulties confronting the industry, and perhaps not even the most important, nevertheless they are very significant. I would hope that we would recognize the fact that before the cattlemen—and that includes the Montana Stockgrowers Association and the American National Cattlemen's Association—came to Congress to ask for help, they themselves sent a delegation, at their own expense, to Australia and New Zealand, to see if a voluntary agreement could be arrived at. They were unsuccessful. At least they made the attempt; they acted in a responsible fashion and I believe they are entitled to the most serious consideration of this body. I am certain that they will receive that kind of consideration in the discussion of this bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. Does the Senator intend to press the bill to a conclusion tonight? I ask that question not because I lack any disposition to stay here to conclude its consideration tonight, but because I should like the majority leader to know that I am very much in sympathy with the plight of the industry in the various States, and that I consider this industry to be an important industry to the welfare of the American people.

The Senator well knows that I am interested in the textile industry, and that we have been confronted with more or less the same problem. We have been trying for a long time to do something about it.

In May 1961, a seven-point program was initiated by our late, lamented President, John F. Kennedy, setting forth the plight of this industry, and the fact that an international conference of various exporting countries of the world should be held, to see if they could reach a multilateral understanding on a limita-

tion by country and category of certain textile products.

Here we are in the latter part of July 1964, and we have gotten nowhere.

Some people in the industry have been considering an amendment to the pending proposed legislation, to include the textile industry as well. That determination has not been made, because there are many complex problems and ramifications involved in making that decision. That is why I ask my distinguished colleague from Montana if he will afford us an opportunity at least to consult with interested parties before this matter is brought to a conclusion. I hope that he will not do so tonight, although I am very much in sympathy with the objectives of the bill.

Mr. MANSFIELD. I would hope that the distinguished Senator from Rhode Island and his group would not consider attaching a textile amendment to the pending bill. The Senator may recall that at the time the wheat-cotton bill was considered by the Senate, some months ago, the Senator from Montana said that this bill would be brought up in the course of regular hearings before the Finance Committee if the attempt were not made to attach the Hruska amendment to the wheat-cotton bill at that time. The Senate saw fit to go along with this proposal. It did so not because the majority leader made the request, but because it was well understood that had the Hruska amendment been added to the wheat-cotton bill, very likely there would have been no wheat, cotton, beef, or lumber bill. Lumber would have been added, too. Therefore, no legislation would have resulted.

Mr. PASTORE. That would include wool also. I have heard from the wool growers, who are very much interested in the wool situation. That industry, too, is involved, perhaps more so than meat products.

Mr. MANSFIELD. In this country we do not produce more than 50 percent of our woolen needs; in fact, less than 50 percent. We are confronted with an overproduction of beef and an increase in the importation of beef, veal, mutton, and lamb.

Mr. PASTORE. It is true that we are not self-sufficient in raw wool which is produced in this country, but we have no export business in raw wool. The wool growers of the Nation must rely on the American textile industry as their exclusive market.

Mr. MANSFIELD. We are only beginning to develop an export business in beef. That is why trade missions are going to Italy, France, England, and Israel, to develop new markets, because we have not been a meat exporting nation. We have been a meat importing nation. However, when we reach the point where 11 percent of the total production in 1 year comprises Australian and New Zealand imports, the situation is most serious.

Mr. PASTORE. The Senator from Montana and the Senator from Rhode Island are arguing the same thing, except in different ways. What the Senator from Rhode Island is saying is that many complaints have been made by the wool

growers of Montana and many other States, in the Midwest, to the effect that if the textile or the worsted-woolen industry in America is allowed to continue to suffer as it has for the past decade, and becomes extinct, there will be no place where they can sell their raw wool.

Now I address the distinguished Senator from Montana [Mr. METCALF] and the distinguished Senator from Wyoming [Mr. MCGEE]. The Senator from Wyoming, together with the Senator from Rhode Island, visited the President's office several times to complain about the domestic wool situation.

The distinguished Senator is absolutely correct about the legislation he is suggesting. But we are contemplating or considering offering an amendment. I do not say it will be sponsored in any way. I hope the consideration of the proposed legislation will not be concluded tonight, and that we may be afforded an opportunity to consider the other problem, which I know is of deep concern to the Senator from Montana.

Mr. MANSFIELD. The Senator from Rhode Island realizes, I am sure, that every consideration for which he asks will be given. Action on the pending business will not be concluded tonight. There will be no votes on the measure tonight.

Mr. PASTORE. I thank the Senator from Montana.

Mr. MANSFIELD. But I would hope there would be some conversation, at least of an informal sort, so that the groundwork can be laid for a discussion of the bill. I hope that Senators representing textile States, lumber-producing States, or any others, will not try to offer amendments to this particular beef-import bill for their particular commodities or industries.

Mr. PASTORE. If the Senator will permit one further comment, he is always gracious, he is always generous, and even under stress and strain is always a gentleman of the highest order.

Mr. MANSFIELD. I thank the Senator from Rhode Island.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. I wish to say to the majority leader, along the same lines that the Senator from Rhode Island has spoken, that we are vitally interested in the textile industry. We have sought, day in and day out, to introduce bills and to obtain some legislation on the problem of wool. It is difficult for us to explain at home why we vote for important restrictions on beef, when the Senate has not done anything about wool.

Mr. MANSFIELD. Just a moment. What is in effect, so far as wool is concerned, is the Brannan plan. It has been in effect since the first year of the Eisenhower administration. The sheep producers in Montana and in other parts of the West are being benefited, although not the woolen textile industry.

Mr. SYMINGTON. Mr. President, does the able majority leader plan to have the Senate vote on this issue tonight?

Mr. MANSFIELD. Not tonight.

Mr. YARBOROUGH. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. YARBOROUGH. I thank the Senator for bringing up the beef bill for consideration, because it involves a most urgent problem. My State produces 13 percent of the meat consumed in this country. Texas has more than 2 million head of cattle. When I travel over the State, while I observe that there are some emotional issues, I am told that the most urgent economic problem is the decline in the price of meat and that it has an impact upon the domestic economy.

I commend the distinguished majority leader for bringing up the problem at this time. It is a pressing one for the range cattle country, and that country is not only the Great Plains, but the area east to the Atlantic seaboard.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. I should like to speak on my own time.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. METCALF. I commend my colleague for bringing up this very important measure this evening. As the Senator from Rhode Island has suggested, I have been a member of a delegation to assist the textile industry. Also, I have been a member of a delegation, together with the distinguished Senator from Washington [Mr. MAGNUSON], to assist the lumber industry. Those are two important products that affect the economy and the industry of Montana.

But my colleague from Montana has brought up the bill relating to the beef industry. I hope the Senate will give it long and mature consideration.

The senior Senator from Montana and I both voted against the Hruska amendment when it was offered to the wheat and cotton bill. We have suggested that the problems of the beef industry be considered on their own merits and in their own time. But they should be given lengthy consideration, and not at this late hour tonight. I am grateful to my colleague from Montana for suggesting that the consideration of the bill not be concluded tonight, so as to enable us to consider the suggestion of the Senator from Rhode Island concerning the textile industry and the suggestion of other Senators concerning the lumber industry. Both those matters are of great concern to the people of Montana. We are just as much concerned with textiles as is the Senator from Rhode Island and just as much concerned about the lumber industry as are our colleagues from the Northwest. Certainly we are as much concerned as the Senator from Texas [Mr. YARBOROUGH] is about the welfare of the beef industry.

This subject requires long consideration, and it should not be concluded at this time.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. The Senator from Rhode Island has no "beef" about the beef industry. I merely suggest that we wait until tomorrow before the proposed legislation is consummated.

Mr. McGEE. I assume that the Senator from Rhode Island is not pulling the wool—

Mr. PASTORE. Over anybody's eyes.

Mr. MANSFIELD. I appreciate the humor of Senators.

Mr. McGEE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. McGEE. I commend the majority leader for this move tonight, because it keeps sacred a pledge. That is a trait typical of the majority leader. There has been a question about what we should do about beef imports. Senators who come from beef-producing States know full well that imports alone are not the problem. They know that this administration, through the purchases of heavy steers, has been trying to meet some of the problem of oversupply at the present time. The Pentagon is beginning to make larger purchases of domestic beef instead of foreign beef. The Government has begun to explore Western European markets where, for the first time, the Western European economy is now strong enough to permit competition for American beef at American prices.

But the fact still remains that the sudden jump in imports of red meat into this country was sufficient to break the backs of cattle feeders and the necks of cattlemen.

The pledge by the majority leader is being kept in his successful move to have the bill reported by the Committee on Finance to the floor of the Senate, and to make it the pending business. I hope there will be adequate time, both tonight and tomorrow, to discuss the subject fully, and thus to obtain a sufficient limitation on the imports of red meat, in order, once again, to stabilize the cattle market of the country.

Mr. MANSFIELD. I appreciate the statement of the distinguished Senator from Wyoming. It should be noted that he is the author, the originator, and a member of the Marketing Commission. The group to which he belongs can play an important part in ascertaining the relationship between the market practices of the big food chains and the price of cattle.

Mr. McGOVERN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. McGOVERN. I join in commending the majority leader for calling up the bill tonight. I remind Senators that it was the senior Senator from Montana, the majority leader, who first introduced a beef importation limitation bill at this session of Congress. In my judgment, he wisely resisted action on any such proposal at the time the Senate was debating the cotton and wheat legislation. As the Senator knows, if we had adopted such an amendment at that time, the wheat bill would have been brought to certain defeat. As matters now stand, the Senate passed a wheat bill with the support of the President.

We have saved our wheat farmers probably \$400 to \$500 million in income that otherwise would have been lost this year. Now the majority leader has delivered on his pledge at that time to bring a bill to the floor, after the proper hearings by the Finance Committee. With the prestige of that committee behind the proposed legislation, and the support of the majority leader, we can move to rather quick passage tomorrow. I hope that the measure will be enacted into law this year.

Mr. MANSFIELD. I devoutly hope so.

Mr. BURDICK. Mr. President I join other Senators in commending the Senator from Montana for bringing this matter before the Senate. I should like to inquire of the majority leader if this will be the pending business tomorrow?

Mr. MANSFIELD. It will be, unless some quick arrangement can be made so far as the joint resolution of the Senator from Illinois [Mr. DIRKSEN], which was reported to the Senate tonight, is concerned. I am a little confused as to what the situation is. But the beef bill will be the pending business barring the possibility of disposing of the resolution quickly.

Mr. BURDICK. The majority leader is hopeful that the Senate might act on the beef bill tomorrow?

Mr. MANSFIELD. I am, indeed.

Mr. BURDICK. I thank the Senator from Montana.

Mr. MANSFIELD. I intend to do everything I can.

Mr. MONRONEY. Mr. President, I also commend the majority leader for introducing this measure and seeing it through the Finance Committee, at least to the point of hearings on the subject, and then bringing it up on the floor of the Senate. This is one of the big crises which I have seen in the agricultural front in my State of Oklahoma.

We were long known as a great cattle State; but it was not until the limitation of field crops such as grains, corn, and others, that the farmers were forced to take vast acreages out of production and to forgo the cultivation and harvesting of these feed grain crops, as well as cotton, and other fibers in this field. With the various limitations, many of the farmers have had to turn to the growing of livestock.

Now we are facing the problem of foreign importation of vast quantities of frozen meats intermingled with American production in the form of hamburger meat and other such meat grades. I fear that a serious interruption to the cattle industry can become a thing of the past. It has enjoyed stability during the past several years. Many of our cattle feeders are in a desperate condition. Most of the producers who are on the 3-year cycle and raise beef animals for market are having to hold them back because the price is so low that to liquidate them by sales would lead almost to bankruptcy.

I congratulate the majority leader for bringing this bill to the floor of the Senate. I know that the people of Oklahoma applaud him for his active interest, not only on behalf of his own State,

but also on behalf of the many other States which produce a substantial amount of livestock.

Mr. MANSFIELD. I thank the Senator from Oklahoma for his comments.

Mr. CANNON. Mr. President, I, too, compliment the majority leader on his action in bringing up this subject, which is vital, particularly in my State and many other Western States. Twice within the past week there have been actions which I consider to be significant so far as my State is concerned.

Many years ago, mining activity in my State was one of the big sources of revenue and one of its big activities; but its deactivation and the closing of many mines due to the unfortunate position into which minerals had fallen, we came to the point where mining was no longer a significant part of overall State operations.

Second, our most important activity was that of the beef industry—beef, ranching, and the farming industry. This, too, has suffered a serious decline because of many items and many factors.

As the majority leader has said, the plight of the industry is due not only to the import situation, but also to other activities and other problems in connection therewith.

I particularly commend the majority leader for his action, because last week he was the successful leader and a great worker in the fight to bring back the silver dollar, which is a very important item to us in the West, both as an item of commerce and as a possible stimulus to renewed activity in our mining industry.

This week, starting today, he brings up this vital beef import subject which is second in importance only to the mining industry in my State—if it can be said to be second in importance. I am hopeful that action can be taken fast enough so that many farmers and ranchers will be saved, by reason of the action taken here, together with studies now proposed, to find out why the beef producer is not receiving more of the purchase dollar than he is getting, even though the price the housewife is paying for beef today is not significantly different from what it was when the price of beef was much higher.

I thank the distinguished majority leader for yielding to me. I shall look forward to taking part in the pending business tomorrow so that we can take some legislative action in this respect.

Mr. DOUGLAS. Mr. President, has the majority leader concluded?

Mr. MANSFIELD. I have concluded.

Mr. DOUGLAS. I can well understand the desire of Senators from the cattle States to bring this matter up. Cattle raising is an important industry in all their States. Cattlemen are politically influential. They press their points of view vehemently. I can understand the climate of opinion under which Senators from those States are operating. I have no personal criticism of them. I am afraid, however, that if this bill were to be enacted, it would work real damage to the general interests of the United States.

From the overtures which have been recently made, upon the floor of the Senate, it is possible that in order to get this bill through the Senate, similar concessions will have to be made to the wool growers, woolen mills, and the lumber interests, and that we shall wind up with a quota system of abominations, restricting the supplies available to consumers, increasing the prices which consumers will have to pay, doing grave damage to the efforts of the United States to effect an international reduction of tariffs, and in general injuring the whole position of the country.

Mr. President, it is true that there was a fall in the price of cattle from around \$27 a hundred to \$21 a hundred. This bill has come up so suddenly like a clap of thunder on a still night, that I have not had an opportunity to consult the produce quotations for today. I do not know how much the recovery has been.

I ask unanimous consent to have printed in the RECORD the current quotations on beef in the central markets so that we may get an accurate picture.

There being no objection, the quotations were ordered to be printed in the RECORD, as follows:

Mr. DOUGLAS later stated: "This morning's Wall Street Journal, page 16, quotes Friday's price of Choice steers in the Chicago market as being \$24.25 per hundredweight. This is a big increase over the price of \$20.83 which the Senator from Montana, Mr. MANSFIELD, quoted as prevailing on February 27 of this year in the same market. (Hearings before Senate Finance Committee, p. 2.) It looks as though natural forces and other factors were producing a marked improvement. But the cry for protection and for severe quotas continues unabated."

Mr. HART. Mr. President, will the Senator from Illinois yield, with the understanding that he will not lose his right to the floor?

Mr. DOUGLAS. With that understanding, I am glad to yield to the Senator from Michigan.

Mr. HART. I am glad that the Senator is obtaining permission to have printed in the RECORD the current market quotations.

I interrupt only to support the Senator from Illinois and a few other Senators and to caution them against any effort to hurriedly push through the Senate the bill or the amendment offered by the distinguished majority leader.

As sometimes happens, I confront a possible dilemma tomorrow but I have resolved it. I shall go to Michigan State University to participate in a conference on Great Lakes water levels, which is a matter of high importance to Michigan and the other Great Lakes Basin States.

I would hope, however, that the Senator from Illinois and other Senators will make a point of the rather remarkable contribution which the executive department has made to reverse what was admittedly a dramatic decline in beef prices, and many factors which persuade us against taking action at this time.

Mr. DOUGLAS. If we examine the movement of beef prices, we may also find that the added importation of beef from Australia and New Zealand is not primarily nor entirely the major cause

of the fall in prices which, as the Senator from Michigan has said, has been partially rectified in these last few weeks.

Anyone who knows anything about the cattle industry knows that cattle prices go through cycles. There will be a period of high prices. This will lead a great many new people to come into the industry and raise more cattle. It will cause those in the industry to breed more heifers for the control of the rate of reproduction of cattle. We then have an increase in the number of cattle, and an increase in their poundage. This leads to a fall in prices and this tends to discourage people after a time. So some of the newcomers retire from the industry. Those who are in the industry do not breed their cattle in the same degree. They do not fatten them as much. The production of beef falls. Prices then go up. There is a normal cyclical movement which goes on over periods of time.

We had a period of high prices. This drew various people into the industry, oil men, doctors, lawyers, and others. There was a big production of beef, and prices have consequently fallen. However, I believe that if one examines the current statistics, he will find, as the Senator from Michigan implied, the fall has not been as much as is claimed.

As I understand the cattle situation, it has been aggravated also by the tax provisions. Those in the cattle industry are given very liberal capital gains. As I understand the situation, the increases in the value of the stock during the process of feeding are not charged as income, but as a capital gain, and hence pay at most only half the income tax rates and never more than 25 percent. Furthermore, they are allowed very liberal provisions on depreciation. The tax provisions, which some of us have tried to change over the years, lead to an excessive investment in the cattle industry. When this is superimposed upon the cycle, it leads to an abnormal fall in prices.

Those who are permanently in the cattle industry ought to be protected from this invasion of extraneous influences and protected by a change in the tax laws, so that investors will not be led to come into the industry because of unduly favorable tax provisions.

So, I think the cattlemen have identified the wrong difficulty in saying that it has been the importations from Australia and New Zealand which have primarily caused the fall in prices, when, as a matter of fact, this has been due primarily to the operations of the cattle cycle and the unduly favorable grants in the tax structure to the cattle industry.

If we impose these rigid restrictions—and the restrictions imposed by the Committee on Finance are even more rigid than the original proposal of the Senator from Montana—there will be an increase in prices. Who will pay for this increase in prices? In all probability, it will be the consumers of meat products, or, in other words, the great mass of the American people. They are more numerous than the cattle producers. Their interests, however, are

diffused. They are slow to wake up, as is always the case. They do not have the concentrated power of the cattlemen; and so their voice is not heard as often or as loudly in the Halls of Congress.

Nevertheless, we represent them, and we should consider their interests, too. This is what we tend to lose sight of in all tariff matters. We tend to think of the particular producer. In fact, some of these want a tariff, and others want to impose a rigid quota—which is generally even worse than a tariff—thus keeping out foreign goods, and raising prices to the domestic consumer.

It is all too easy to forget the consumer. But they form the great majority of the people of the country. They are the Gullivers who while sleeping are bound by the multitude of threads impound upon them by the protectionists. I know that efforts are being made now to run down the city folks and the town folks. But 65 percent of the country live in the metropolitan centers, including the suburbs. Soon 80 percent of Americans will live there. They should not be made second-class citizens. They should not have their pockets picked in order to give higher prices to the producers of cotton, wool, cattle, sugar, lumber, and various other commodities. Let us try to free the American people and not to bind them further.

It is very hard to make the voices of the consumers heard. It is very hard to have their interests considered. But they are the primary group in the country. Their interest should be weighed and, in my judgment, should be pre-eminent.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. DOUGLAS. Not yet. I would prefer to finish my speech first. Then I will be glad to yield.

If anyone believes that Australia or New Zealand is going to stay quite if these quotas are imposed, he has another guess coming. On page 182 of the hearings, statistics were produced to show that our total exports to Australia and New Zealand in 1961-1962—which was apparently the year for which we have the most recent figures—amounted to \$409 million. Our total imports from those countries amounted to \$366 million, or our exports exceeded our imports by \$43 million.

The Australians and New Zealanders are proud people. I served with them in the Pacific. They are fine people. They would naturally like to be friends and allies of the United States. In many ways, the economies of those two commonwealths and the economy of the United States could dovetail with one another.

We could furnish them with machinery and automobiles. They could furnish us with many raw materials. But if we start imposing rigid quotas by legislative action on the importation of meat from Australia and New Zealand, let us be very certain that they will then put quotas on the importation of goods from the United States—either they will impose quotas or they will raise their tariffs. Instead of dissolving the im-

perial preference with Great Britain which we have been trying to dissolve or weaken, for more than 30 years, this will intensify the ordinary imperial preference. Australia and New Zealand will tie up more and more with the mother country, Great Britain, and impose punitive tariffs or quotas against the United States.

It is a rule of life that one cannot injure people and expect them to like it. One cannot discriminate against the goods of another country and expect them to smile and not strike back. It may well be that the Christian doctrine of turning the other cheek is ethically correct. I believe that it is. But it is reasonable to expect that the great masses of the nations will not practice such a doctrine. We cannot expect to single out other nations for economic penalty and think that they will be quiet or quiescent. We cannot presume that others will swallow their injuries and go on as before.

But it is not only Australia and New Zealand that are involved. It is the Continent of Europe as well. We are trying in Geneva and in Brussels to negotiate the tariffs downward. We are trying to provide that Europe will give a market to our agricultural products—most notably wheat, soybeans, and other products.

The European market is our biggest market for wheat. It is well known that the countries of the Common Market are being sorely tempted to establish high prices and to charge tariffs which, when added to the free market price in Liverpool, would make it more and more difficult for American wheat to penetrate European markets.

I have been disappointed at the attitude which France and Germany have taken up to date on these questions. I felt that the German action in trying to bar our frozen chickens from the German market was wrong. I felt that Europe, as shown in the attitude of the Common Market in tripling the tariff on frozen chickens from 4.5 cents a pound to 13.5 cents a pound, which virtually lost us the European market, and which was adjudged to be a violation of the GATT agreement, and drove us to impose retaliatory duties on products of France and Germany, was taking the wrong turn. I am not certain that we can prevent this European foreign trade policy from being adopted, but if we start discriminating against other nations, we certainly cannot avert it. Europeans are always anxious to find some fault with us so that they can use it as an argument to justify improper actions which they then will take toward us. It is highly inconsistent for us, while there is still an opportunity to get Europe to mitigate its policies in regard to wheat and other farm products, for us to insist, before we have had an adequate opportunity to try, that we should become still more a protectionist nation. Such action on our part—such action by the Senate—even if it is not approved by the House—would have a very adverse effect upon our trade negotiations and upon our general policies.

Secretary Freeman appeared before the Committee on Finance, of which I am a member, and protested against the bill. He gave very good testimony, to which I listened with great interest, and with which I found myself in agreement. Secretary Freeman said:

I strongly urge the committee not to report Senate bill 2525 or similar bills. I urge the Congress not to pass Senate bill 2525 or similar bills at this time. Such action could do no good in reducing beef imports or raising beef prices immediately, and it could seriously jeopardize our trading negotiating position. Such legislation is not necessary at this time. Its purpose has been accomplished with the cooperation of our beef suppliers.

I then skip a sentence.

And as the trade negotiations in Geneva go forward, the United States will make every effort to help open up the world's beef markets as well as expand generally.

Continuing—

The Kennedy round negotiations will be long and difficult. It is vital to go to the bargaining table in the best possible position. To go back on the agreements which we have negotiated would provide ammunition to those who would exclude U.S. farm products from their markets and would alienate those countries which are our chief allies in seeking access to European markets for farm products.

That last point is very interesting. Australia and New Zealand are great producers of raw products—wheat, frozen meat, particularly mutton, butter, and cheese. They also are adversely affected by restrictive trade policies on the continent of Europe. They are our natural allies, as Secretary Freeman has said, in trying to reduce the European tariff barriers and in trying to get a greater degree of freer trade in the world. To slap them in the face now, as we would do in the bill, would mean that we would alienate them, that they would not only carry out reprisals directly against us, but also they would not join with us in any effort to keep Europe on the basis of freer trade.

Mr. President, I do not know what has come over this country. I do not know what has come over the Senate. Americans used to say that we believed in the reciprocal reduction of trade barriers. Two years ago we hailed the Trade Expansion Act, which aimed not merely to increase American exports, but to increase world trade so that the nations would be bound together in a mutual and beneficial division of labor, and would be tied together in the bonds of peaceful trade.

I had thought that those were the historic principles of my party. I had thought that those were the principles for which the Democratic Party had always contended from the days of Thomas Jefferson on through James K. Polk and Grover Cleveland, on through Woodrow Wilson, on through Cordell Hull, and John F. Kennedy. Without criticizing any of my colleagues, I am somewhat appalled to hear Senator after Senator rise on the floor of the Senate and virtually repudiate this general program so far as cattle are concerned. The Senator from Rhode Island was perfectly correct in

saying that to bring in beef under the quota system in order to conciliate the producers of beef in the cattle States, we would have to include protection for wool and woolens. We shall shortly consider a sugar bill which would raise still higher the prices of sugar. That will be the inevitable consequence of this trend. The lumber people wish protection, too, against cheaper Canadian lumber. The poor consumers will foot the bill. Let us not take the attitude that we do not care for them. Let us not take the position that we are merely a group of producing interests, each one trying to gouge as much as possible out of the general consuming public and in the process destroying the basis of cooperation between the nations of the world. The basis of cooperation is that each country should produce that for which it is best fitted, or comparatively best fitted, and then exchange with other countries to the general advantage that labor is employed where it can produce most effectively and so that the general national and world income is increased, and that the bonds of trade unite in friendship nations which, if engaged in a trade war, will find it more difficult to combine and to cooperate in the defense of freedom.

Let us keep our eyes on long-range influences and not merely on the short-range matters. The administration has been acting in this field. It has been stimulating the purchase of beef. It has been promoting the export of beef to the Mediterranean. I was one of the two members of the Finance Committee who voted against the bill in committee. It may seem futile to oppose the bill on the floor of the Senate in the presence of the great pressures that are obviously coming from the cattle States. But there are some people who read the CONGRESSIONAL RECORD, and so I make this appeal in the hope that it will not be ultimately ineffective.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Wyoming.

Mr. McGEE. I stand as one of those who understand fully the dependence of the productive economy of this Nation on foreign markets. If our whole free enterprise system makes us a producing nation in great surplus, then of necessity we must sell to the rest of the world. But in the case of cattle we must make sure that we keep our industry going at the same time. I do not think this is a case of "doing in" our allies or turning another screw on our friends in the South Pacific. They have been our allies, and will continue to be. But those of us who believe we understand the cattle question as it is are firmly convinced that there is plenty of room, and negotiable room, for a little giving both ways.

We do not think this giving needs to go only one way. We are convinced that a quota arrangement with our friends, Australia and New Zealand, would not represent a straitjacket or a static concept, for a quota absolutely gears imports to the consumer market.

The American consumer is a long way from consuming all the beef he would like to have available, if he could afford it, or if the whole marketing device which is under study and question in this country could be loosened a bit to the consumer's advantage.

Therefore, we feel, so far as the consumption of beef is concerned, that the market for our friends "down under" would also increase. So it is not a fixed concept.

While we appreciate our allies and our close cooperation with them, we also appreciate that the beef industry in this country must be protected. We appreciate the cattle feeder and the cattleman. We believe it is good, common-sense not to put them out of business. Not a cattleman I know of says we should cut out imports. Not a cattleman I know of says we ought to slap the faces of our friends in Australia and New Zealand.

Mr. DOUGLAS. That is what the Senator would be doing. That is the effect of the proposal.

Mr. McGEE. We will not. We are firmly convinced that we can fix quotas of imports that will place the import percentage nearer to a reasonable figure that will protect stable prices in our country. It used to be that beef imports comprised 2, 3, or 4 percent. Now they have suddenly jumped to almost 11 percent. They have doubled and trebled. We feel there is negotiable room to protect the interest of our allies and still stabilize the prices our cattlemen can get as producers. In my own State of Wyoming this industry is a major part of our economy. It is a major part of the economy of the Western States, which depend very heavily on the marketing of cattle.

Mr. DOUGLAS. I know that. This causes the States with small populations but with a strong cattle industry to have a very strong influence in the Senate.

Mr. McGEE. This is not a matter of having influence in the Senate on the part of cattlemen; it is a matter of having influence in the Senate in the national interest. The country depends on a domestic industry which is seriously jeopardized. The cattle feeder is going out, and the cattleman is next in line. It is incumbent upon us to try to stabilize the economy just as much as our relations with our allies. It is more important to stabilize our domestic economy. Without that domestic market and the economy it jeopardizes, it would jeopardize our relations with our allies in other fields.

Mr. DOUGLAS. I am probably old fashioned. I had always thought that the principles of a free enterprise system were very simple. I had always thought that a free enterprise system meant selling at a cost approximately or slightly above the cost of production, the consumer being then given the right to choose. The more restrictions are imposed, the more we interfere with the system of free enterprise.

Many people have not regarded me as a defender of the free enterprise system, but it so happens that I think I understand the basic principles of the system

of free enterprise and of free prices, perhaps better than many who give it verbal support and interest. I think I give these principles great support.

I am opposed to artificial restrictions, and I am opposed to cartels, including international cartels.

I have fought the international sugar cartel, which was holding up the American consumer in the interest of foreign producers. I opposed in committee the coffee legislation which would, I believe, give the coffee-producing countries the power artificially to restrict the amount of coffee coming into the United States relative to demand and hence to raise prices.

I am trying to be consistent in this matter; and if I oppose cartels which are designed against the American consumer, I similarly have to oppose domestic restrictions and forced cartels which also raise prices to the American consumer.

Did I interrupt the Senator from Wyoming?

Mr. McGEE. No, because the Senator from Illinois, with his great knowledge on these questions, always contributes to the resolution of the differences and difficulties that may prevail. It is not an interruption at all. The Senator was kind enough to yield to me for an observation on his views.

Mr. DOUGLAS. I shall be glad to continue to yield.

Mr. McGEE. I wanted to pursue a little further the whole question of imports and the proportion of imports from Australia and New Zealand. In the first 6 months of this year the imports from both those countries were substantially down. So far as I know, this has produced no great catastrophe, and it has not worsened the relationships between our Governments. According to the Secretary of Agriculture, I believe the average drop in such imports the first half of this year was approximately 20 or 25 percent as compared with a year ago.

All this bill proposes to do is to fix the quota at approximately the figure resulting from this drop in imports, for the reason that this helps stabilize the market prices of cattle, helps the cattlemen produce and plan for another year ahead, and enables the cattle feeder to get back into business, and thus has a salutary effect.

I think the experience this year demonstrates the reasonableness of the proposal which we are advocating to Members of the Senate at the present time.

It is not a question of "doing in." This is not "doing in" anybody, except that we are going to "do in" some cattlemen if we do not try to stabilize their economy and meet the threats to it.

Mr. DOUGLAS. My memory goes back to 1930. It certainly goes back before that, but in particular to 1930. I remember at that time the Republican Party, headed by Senator Smoot, of Utah, Senator Grundy, of Pennsylvania, and I believe Representative Hawley, introduced a tariff bill which was designed to raise tariffs. Many of us felt at that time, and so declared, in a statement I helped to draft that the result

would be to cause other countries, in retaliation, to raise their tariffs against us.

We were told that we were academicians and that nothing would happen. The bill was passed.

In the main, the Democratic Party acted consistently and, though not with complete consistency, opposed the bill. President Hoover signed it. Then everything we had prophesied came true. European countries retaliated. The Empire preferences were carried into effect at Ottawa. American exports were shut off. The act did not improve conditions within the United States. It worsened conditions within the United States.

It remained for the Hull legislation of 1934-35 to start our movement in the opposite direction.

I believe that movement has been, on the whole, successful. It has not been as thoroughgoing as I should have like it to be, but it has been relatively successful. It has expanded American exports. As a part of the price we have had to pay for it, we have had to take imports. We cannot export unless we import. If we shut off imports, we automatically shut off exports. This is done through the normal operation of price levels, and we also do it through stimulating other countries to practice retaliation against us.

We cannot say that we will not count it if we do it this time, and that Australia and New Zealand should not count it this time. We have no control over their actions. I deeply resented the action of Germany and France in raising the tariff on frozen chicken. I protested to Mr. Erhard several years ago when I had a personal interview with him. I saw it coming and I protested against it. I also protested against it to the Executive Committee of the Common Market, in Brussels. They provoked our action by penalizing us. We retaliated. I believe we had to retaliate.

We can expect Australia and New Zealand to retaliate. They have their commercial attachés here. Their reporters are tied up with what is happening here through the British press service and, I suppose, also through AP and UPI. The word will go out over the wireless and over the cables as to what is happening here. It will be noticed in Canberra. It will be noticed in New Zealand, and the nationalistic elements of those countries will use this action by the Senate as an excuse to further tie up with Great Britain and to erect quotas or tariffs against the products which we sell to them, such as farm machinery, automobiles, and possibly soybeans. The final result, in my judgment, will be adverse to our interests.

I am afraid the Senate is probably determined to pass this measure. It came up very suddenly tonight. I had no warning, until it was sprung upon the Senate floor, that it was coming up. I have not had the opportunity to prepare a thorough statistical study on the consequences, and I have had to assemble figures very hastily. In 1960-61 we exported \$40 million more of our goods to Australia and New Zealand than we imported from Australia and New Zealand.

They have weapons of retaliation close at hand, that they can grasp. They are spunky people. They are very similar to our westerners, as a matter of fact. I predict that we are in for trouble.

Unless Senators wish to ask me further questions, I am prepared to yield the floor. It is late. It is close to 10 p.m. but I did not feel that I should allow this session to close without raising my voice of warning.

Mr. McGEE. Mr. President, will the Senator yield for one final observation?

Mr. DOUGLAS. I yield.

Mr. McGEE. I cannot let stand the distinguished Senator's comment about the concept of retaliation, of someone getting "even" with someone else. The whole escalation of imports from Australia and New Zealand has been a very sudden one. It had gone up steadily, but in the past 2 years—

Mr. DOUGLAS. It has done so in a free market, or in an approach to a free market.

Mr. McGEE. With all due respect, this has nothing to do with the concept of retaliation, to get "even" with someone. This year the exports from New Zealand to the United States are off by 36 percent.

Mr. DOUGLAS. Then why add the proposed penalty?

Mr. McGEE. From Australia the exports are off not quite that much. They approximate about 24 or 25 percent. My point is that this has not produced any disasters among our friends in Australia and New Zealand. It has not produced any desire on their part to retaliate. It has not brought forth any nationalistic politicians demanding that markets be found in the United States. This is an attempt to help our own people. I am talking about trying to find some formula, within reason, which will help stabilize the cattle market in this country. This is not "doing in" our allies and our friends in New Zealand and Australia.

They are astute businessmen. They are also very perceptive of the political climate. They, too, appreciate what this means here. They are in a position to go along gracefully with a reasonable quota figure of 6, or 7, or 8 percent of the domestic market.

I should like to know from the Finance Committee, or those who have looked deeply into this matter, how much American money has fled to Australia and New Zealand in order to get into this market, in order to send their imports to this country.

We know that our friend Art Linkletter is considered to be one of the largest livestock men down under. Yet we are asked to import what he produces. This is a much more complicated question than dealing with our allies. We ask that those who produce in our own country receive some measure of consideration aimed at stabilizing cattle prices.

I say to my friend from Illinois that there is plenty of room for considering this matter without saying that it is either black or white or that it is "either this or that." I say that there is room for our allies, who are friendly, to seek a common goal, and we believe that the

quota approach in the bill provides the means to stabilize conditions.

When we have a drop of nearly \$2 billion in livestock values in the last 22 months, it is no inconsiderable crimp in our economy. I would hope that this matter is of such magnitude that it would command the attention of the Senate to the some steps.

Mr. DOUGLAS. It is difficult for me to keep up with all the manifold developments in the cattle industry. The Senator from Wyoming is an authority on the cattle industry. Has not the reduction in imports been effected by an informal agreement with the Governments of Australia and New Zealand to limit their exports to this country? I refer to beef. I believe that is true with respect to mutton, also, to some extent.

Mr. McGEE. Whatever has produced the drop—

Mr. DOUGLAS. Is it not the result of an informal understanding with Australia? I see my friend, the Senator from Nebraska, rising—

Mr. McGEE. It was produced partly by the informal understanding and partly by good business sense.

Mr. DOUGLAS. Is it not largely the result of an informal understanding?

Mr. HRUSKA. If the Senator will yield, I would say that it is in part due to that, but it is not too far different from the volume that existed last year, except that the reduction comes about because the market conditions in Europe happen to be favorable, and they can get into the European market and sell in great volume at their prices, whereas we cannot get into the European market, because the Europeans will not pay the price for the beef that we have and which would enable our producers and our packers to stay in business.

The point is that as soon as the favorable conditions in Europe disappear, they will climb into this country again. When they do that we shall be right back where we were in 1963, which was the historically high year.

I have listened with interest to the Senator from Wyoming and the Senator from Illinois discuss imports. The imports in 1963 were 100 times greater than they were in 1954. Where was our retaliation? Why could we not have retaliated? They were 10 times as high as they were in 1957. It seems to me that we now come to the point where we are saying in all justice, for those who are producing the cattle in our country, that we should take action, not to prohibit, not to eliminate, but to get things to a workable and stable level, which is exactly what these bills call for.

Mr. DOUGLAS. Artificially, to restrict imports.

Mr. HRUSKA. The fact is that it goes beyond cattle, because cattle consume 80 percent of our corn crop. They consume 70 percent of all the harvested crops in this country. Tamper with that basic industry, and the results will go far beyond the cattle grower, the cattle raiser, the cattle feeder, the packing plant, and the people on the packing plant payrolls. In addition, 34 States have a million head of cattle or more.

Twenty-six States have substantial herds.

In Nebraska, about 45 percent of our State's income originates from cattle marketing. Twenty-five percent of the farm marketings are in cattle.

We talk about the consumers. Who are the consumers? When we come right down to the line, it is the feed grain raiser, the cattle producer, the cattle grower, the processor, the farm implement man, the feed grain man, the corn man. A big enough segment of the population is involved in this basic industry to account for a substantial number of the consumers of this country.

Mr. DOUGLAS. It is impossible for New Zealand, Australia, and other countries to export goods to us—in this case, cattle—and not buy goods from us.

Mr. HRUSKA. We do not seek to put them in that position. That is where the Senator from Illinois makes a significant mistake.

Mr. DOUGLAS. No; if they will sell to us, they will ultimately buy from us. I could go into a description of how international prices move. If there is a favorable balance of payments in those countries the result will be the shipment of foreign gold or crediting of exchange to them. This will raise their prices and cause our exports to them to expand. There is a fundamental movement under the free enterprise system, under the system of free international prices, that in the long run imports and exports balance.

We can interfere with this situation immediately, and we will interfere with it, the way the signs are going tonight. But both by the operation of natural forces and the imposition of tariffs and quotas by those countries our exports will suffer, and people will be forced out of work in this country in the exporting industries, in farm machinery, in automobiles, in earthmoving machinery, in the processing of soybeans—yes, in the growing of soybeans—and in the manufacture of electrical machinery. All those articles in which we have an advantage will suffer. The commodities in which other countries have an advantage will also suffer.

People may still be employed, but they will be employed less effectively than before. The national income of the United States from goods and services will diminish. The national income of Australia and New Zealand from goods and services will also diminish. So we shall be retaliating against one another to our mutual injury.

Oh, yes; we will say, "We do not mean to hurt you; we simply mean to protect ourselves." But I have sufficient faith in the private enterprise system, the free enterprise system, to believe that we should not interfere greatly, aside from laying the basis for a minimum standard of living for the workers, with the operations of this system. I suppose I am old-fashioned but I believe there are basic matters which we can only disregard at our peril and loss.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HRUSKA. The United States is the one Nation in the world that I know of that does not have a limitation on imports of beef. Why cannot we export our beef to Australia? Because Australia will not let it come in. Why cannot we sell our beef to New Zealand? Because New Zealand will not let it come in.

Mr. DOUGLAS. They have a price advantage.

Mr. HRUSKA. That is not the reason. They have import quotas. They will not allow our beef to come in.

Similarly, all of us know what the situation is with reference to farm goods in the Common Market countries. The policy now in the making there will close us out as surely as sin.

Mr. DOUGLAS. I am afraid that that may happen. If it does happen, we shall be driven to imposing reprisals on our part. But to start them before the difficulty actually occurs, and when there is still hope that we can achieve greater freedom of trade, will be to invite a greater catastrophe.

Mr. HRUSKA. The catastrophe has happened. The Senator from Illinois speaks of factors that will affect our industry and cause less employment and lower earnings. The fact is that for the past 20 months those things have already visited themselves upon the cattle industry and related activities. As the Senator from Wyoming has pointed out, it has been to the extent of \$2 billion in the cattle industry itself.

Mr. DOUGLAS. So far as wheat, soybeans, farm machinery, and the products in which the United States has an advantage are concerned, it has not occurred as yet.

This bill was called up so suddenly, almost like a clap of thunder.

Mr. HRUSKA. It has been pending since March.

Mr. DOUGLAS. But I did not expect it to be called up at the close of this day, so I did not have my figures with me. However, I think it is true that our exports of wheat to Europe increased last year, rather than diminished. I fear we are in for trouble. I am almost certain it will come if we take action such as is proposed by the present bill.

Mr. McGEE. The wisdom that the Senator from Illinois would impose is, I think, wise; but I believe the bill conforms to his suggestion that we use our heads rather than become erratic and retaliate in one direction and then the other, and start an insufferable trade war, or tariff war, as it was called in the old days.

We have learned in the tortuous years through which the livestock industry has just passed that there are some levels with which the industry can live. They are levels that are vastly higher than they were 10 or 15 years ago. There are experiences that suggest that a larger amount of imports than formerly was the case can be absorbed from those countries.

All we are saying in the bill is that we shall try to adjust the quota to accommodate to the changing times and the changing consumer demands. That

would not only accommodate our friends down under, but would also protect our friends at home. We believe the bill would do both those things.

I reject the suggestion of the Senator that we will establish a farm tariff that will throw us into the terrors of the 1920's. I think it is to head off such a situation that we are taking this approach.

Mr. DOUGLAS. I look up over the head of the distinguished Presiding Officer (Mr. RIBICOFF in the chair) and see that the clock shows it is 2 minutes to 10. So far as I am concerned, I have gone far enough tonight. The Senator from Wyoming and the Senator from Nebraska have made able statements, as is characteristic of them. So far as I am concerned, I think we should "call it off" for tonight. Let the Senate and the country read the RECORD in the morning, and perhaps we can come to some decision at that time.

Mr. McGEE. I am grateful to the Senator from Illinois for his indulgence in this colloquy, because I believe it will be helpful to all concerned to read this exchange in the RECORD.

I submit that while the clock suggests that it is only 2 minutes to 10, it is much later than that in the lives of the cattlemen, the cattle feeders, and others who are affected by the imports of beef.

Mr. DOUGLAS. If the Senator from Wyoming is going to use the hands of the clock to justify this provision, I may say that it is one second to midnight so far as the reciprocal trade program is concerned, and the clock is now striking. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. The occupants of the galleries must not demonstrate.

Mr. McGEE. I may say with all due respect that Senators have never been averse to applause.

The PRESIDING OFFICER. The Senator knows that to applaud is against the rules of the Senate.

Mr. YOUNG of North Dakota. Mr. President, I have noted with much interest the discussion that has been taking place with respect to the exports of wheat to Europe and how the proposed legislation might affect wheat. The purchase of wheat by European countries is a good example of what we should do about meat imports, in the United States. There is a European high protective price-support program. Europe buys only that amount of wheat that it can use, and no more.

With respect to beef and other commodities, we are producing nearly all we need, but we are importing great amounts—and to the extent that we are wrecking our own cattle industry.

No other nation that I know of imports to the extent that it would wreck one of its major industries.

Mr. President, during the past weeks and months, much has been written and spoken concerning the economic difficulties faced by the livestock producers of the United States. An excellent example of this situation can be seen in the beef market. Choice fed

steers on the Chicago market averaged 3.71 per hundredweight less in 1963 than during 1962. This price decline represents an income loss to livestock feeders of 13 percent at a time when the equipment, interest, and other operating costs remain at or continue to climb to all-time highs.

This situation is not confined to the Nation's beef feedlots. The livestock industry of the United States has many facets and reaches into every State in the Union. Strong livestock economies have developed in many sections of the country, and areas which hitherto had little commercial livestock production have expanded to include considerable livestock numbers as a means of increasing and stabilizing farm income.

As the largest and most important segment of our agricultural economy, meat production has always been a healthy industry. Cyclical movements have resulted in periodic price difficulties in the past, but internal adjustments have always made it possible to restore the earning capacity and forward momentum of the industry. The American cattleman is now faced with a situation which prevents him from participating in the general advance of the U.S. economy. In fact, through no fault of his own, he is forced to watch his returns decline and faces even further income losses if prompt action is not taken.

This situation is brought about by a number of factors, including the inflated levels of imports of meat and meat products. In 1960, imports of boneless, fresh, chilled or frozen beef amounted to 384 million pounds. This rose to 819 million pounds in 1962 and in 1963, 940 million pounds of foreign beef of this type entered the United States. Total beef imports in 1963 represented 11 percent of the domestic consumption. Increased imports have not been confined to beef alone. The sheep producer also faces a critical situation due to the importation of lamb and mutton. This great increase in the level of imports and the possibility of further market losses due to further import gains is indeed cause for great concern among the farmers and ranchers of America.

The present high level of imports is not a phenomenon which will disappear with the passage of time. On the contrary, they could well be accelerated. Three of the four leading exporters of fresh carcass beef, Australia, New Zealand and Mexico, have vast areas in which to expand their industry. Further, there is room for great improvements in the animal agriculture of these nations. This is the same technology that has been employed in our domestic industry for years and it is now rapidly becoming a part of livestock operations in these countries. These factors indicate an expanding industry in these countries.

The uncertainty about the possibility of further increased imports does have an impact upon future prices. No one can accurately predict, for example, how much imports will increase from countries such as Australia, New Zealand, and Mexico, from which we now receive most of our imports. There must be even

greater concern over the very real possibility of greatly expanded imports from Central and South America if these nations succeed in eradicating foot and mouth disease.

Recently negotiated voluntary agreements under which Australia, New Zealand, Ireland, and Mexico have agreed to limit their exports to this country are helpful in dealing with this program. However, because of the narrow base period on which these quotas are based, they are wholly inadequate to provide the protection needed by the American livestock industry.

In an effort to stimulate freer world trade, the United States has taken the lead in reducing tariff and nontariff barriers to agricultural trade among the major developed nations. A recent study by the Department of Agriculture reveals that we have a nontariff agricultural protection rate of 26 percent compared with 37 percent for the United Kingdom, 41 percent for Canada, 76 percent for Japan, 41 percent for Australia, 94 percent for France, and 100 percent for New Zealand. These are but a few of the nations that make use of quotas, import licenses, state trading monopolies and other devices to restrict access to their agricultural markets. The major exporters of livestock and livestock products operate under a highly protective trade policy, and all major importing nations, with the exception of the United States, do their utmost to protect and encourage their own domestic livestock economies.

As the situation now exists, the American livestock producer is forced into competition with foreign producers who face lower production costs, lower taxes, and have a much smaller investment in land and livestock. This is not to say that the domestic producer is inefficient. The livestock industry of the United States has played its full share in making American agriculture the model for the world and the livestock producer has availed himself of new technologies as they have become available in efforts to reduce his per unit cost.

The cattlemen are not alone in being concerned over this matter. Businessmen in the agricultural areas of the country are vitally interested. As an industry, American agriculture is the largest single consumer of U.S. steel, electricity, automobiles and trucks, and petroleum products. These purchases represent only a portion of the total business transacted by the 3,474,400 farmers and ranchers of the United States. Main Street, U.S.A., can ill afford an agriculture with reduced purchasing power, let alone an agriculture that may be forced to reduce its scope of operation in an area so basic as livestock production.

Mr. President, the proposal contained in this proposed legislation which will limit the importation of specified meat and meat products is both equitable and realistic. It will provide the exporting nations of the world access to our markets at a reasonable level. At the same

time, it will preclude the possibility that the United States will become the dumping ground for foreign beef produced under conditions of cheap land, cheap labor, low taxes, and protection from outside competition by government subsidies, incentive payments and other devices.

The proposed legislation will also provide for an orderly increase in our imports as long as our markets are expanding and our own producers are receiving an equitable price. If domestic slaughter during any 6-month period exceeds a specified amount for any of the meats covered under this proposal, an increase proportionate to the domestic slaughter gain will be granted to the exporting nations, provided that at that time the American producer is receiving a price equal to at least 90 percent of parity for such meat. The incorporation of the parity concept into this measure is further recognition of the necessity to maintain a basic equality of income between agriculture and the rest of the American economy.

Mr. President, this proposed legislation is badly needed. Its failure will place the American livestock producer at the mercy of foreign operators who have the capacity for greatly expanded production. This capacity is being developed and if we continue to allow the United States to be the only major import market in the world, the domestic livestock industry will be forced to curtail its activities, farmers and ranchers' purchases of feed, equipment and other items will decline sharply, and the consumers of America will find themselves dependent upon foreign producers for their roasts, steaks and lamb chops.

Mr. President, I cannot urge too strongly that this legislation be adopted.

COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that committees of the Senate may meet until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. This should not be interpreted to alter the previously entered unanimous-consent agreements relating to the Committee on Appropriations and the Committee on Government Operations, which have permission to meet all week during sessions of the Senate.

EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. If there be no reports of committees, the nomination on the Executive Calendar will be stated.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

The legislative clerk read the nomination of Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review, for the term expiring July 15, 1967.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion by Mr. HUMPHREY, the Senate resumed the consideration of legislative business.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL JOINT RESOLUTION REPORTED

Under instructions of the Senate, and pursuant to the motion of the Senator from Illinois [Mr. DIRKSEN] the following additional report was submitted:

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration:

S.J. Res. 187. An original joint resolution to establish a Commission on Ethics in the Federal Government, and for other purposes; which was read the first time by its title.

(See the debate relating to the above joint resolution, which appears under a separate heading.)

FURTHER AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENTS NOS. 1142, 1143, 1144, AND 1145)

Mr. PROXMIRE submitted four amendments, intended to be proposed by him to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1965—AMENDMENTS

Mr. MCGOVERN submitted amendments (No. 1146), intended to be proposed by him, to the bill (H.R. 10939) making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. NELSON submitted amendments (No. 1147), intended to be proposed by him, to House bill 10939, supra, which was ordered to lie on the table and to be printed.

July 28, 1964

SENATE

13. MEAT IMPORTS. Passed, 72 to 15, with amendments H. R. 1839, imposing quotas on the importation of meat and meat products (pp. 16520, 16523-43, 16547-614). Rejected, 16 to 70, a motion to recommit (pp. 16580, 16589-92, 16611-2).
Agreed to an amendment by Sen. Keating "to strike out the provisions relating to wild animals and birds." pp. 16578-80"
Rejected the following amendments:
By Sen. Gore, as a substitute for the committee amendment on meat importation. pp. 16574-7
By Sen. Mansfield, as a substitute for the Gore substitute. pp. 16574-7
Sens. Bennett and Pell urged controls on wool imports. pp. 16520, 16592
14. ETHICS. Placed on the calendar S.J. Res. 187, to establish a Commission on Ethics in the Federal Government. Sen. Clark submitted an amendment, intended to be proposed by him, to create a General Committee on the Organization of Congress. pp. 16509, 16629
15. TAXATION. Sen. Metcalf criticized the distribution by investor-owned power companies of tax-free dividends and inserted a newsletter of the Electric Consumers Information Committee. pp. 16545-6
16. LEGISLATIVE APPROPRIATION BILL FOR 1965. Passed as reported the bill, H. R. 10723. Conferees were appointed. pp. 16616-26
17. D.C. APPROPRIATION BILL FOR 1965. The Appropriations Committee reported with amendments this bill, H. R. 10199. (S. Rept. 1247). p. 16629
18. METEOROLOGICAL SERVICES. The Commerce Committee voted to report (but did not actually report) S. 970, authorizing the Secretary of Commerce to utilize funds received from State and local governments for special meteorological services. p. D596
19. WOOL. The Commerce Committee voted to report (but did not actually report) S. 1778, amended, permitting wool products to be sold without a label whenever disclosure of wool fiber content is not necessary for the protection of the consumer. p. D596
20. POVERTY. Sen. Kausche criticized the provisions of the poverty bill for restoration of private strip-mining lands. pp. 16510-2
21. INFORMATION; ADMINISTRATIVE LAW. Passed as reported S. 1666, to amend Sec. 3 of the Administrative Procedure Act so as to clarify and protect the right of the public to information. Sen. Dirksen cited a case in which this Department refused to give information regarding complaints that had been made against a farmer in connection with his acreage allotments (pp. 16512-5). Later in the day Sen. Humphrey entered a motion to reconsider the bill, stating that some provisions should be discussed on the Senate floor (p. 16627).
22. CONSUMER CREDIT. Sen. Bennett claimed S. 750, the truth-in-lending bill, would be difficult to carry out. As an example, he stated that a USDA pamphlet, "Consumer's Quick Credit Guide," contains mistakes. pp. 16518-20

23. RECREATION. Sen. Douglas spoke in favor of S. 2249, to authorize the Indiana Dunes National Lakeshore. p. 16523
24. EDUCATION. The Labor and Public Welfare Committee voted to report (but did not actually report) a bill to extend the National Defense Education Act for 3 years and to extend the impacted-areas legislation for 2 years. p. D597
25. HOUSING. The Banking and Currency Committee voted to report (but did not actually report) a bill "embodying Housing Amendments for 1964." p. D596
26. RECLAMATION; FLOOD CONTROL. The Foreign Relations Committee reported without amendment H. R. 7419, to maintain flood control work on the lower Colorado River (S. Rept. 1249). p. 16629
27. AUTOMATION. The Labor and Public Welfare Committee voted to report (but did not actually report) H. R. 11611, amended, to establish a National Commission on Technology, Automation, and Economic Progress. p. D597

ITEMS IN APPENDIX

28. FARM PRICES. Rep. Berry inserted a farmer's letter stating that under a "Democratic board of county commissioners" taxes on his farm have increased and he is receiving less for his crops. pp. A3927-8
29. PLATFORM. Rep. Laird inserted the 1964 GOP platform. pp. A3934-41
30. SOIL CONSERVATION. Extension of remarks of Rep. Everett commanding the Soil Conservation Service, and inserting an article praising Walter Everett Hunt, a pioneer farmer who introduced in the State of Tenn. legislature a bill to establish the SCS in Tenn. in 1939. pp. A3943-4
31. WHEAT; FOREIGN TRADE. Extension of remarks of Rep. Chamberlain expressing concern over shipment of grain to Russia, and inserting an article, "Doubts About Grain Sale Now Being Borne Out." pp. A3947-8
32. CIVIL RIGHTS. Rep. Burton inserted a summary of the basic provisions of the Civil Rights Act. pp. A3949-50
33. LUMBER EXPORTS. Extension of remarks of Rep. Westland stating that he shares the concern being expressed over the problem of log exports from the Pacific Northwest to Japan and other foreign countries, and inserting an article, "Log Exports are Job Exports." p. A3922
34. POVERTY. Rep. Berry inserted an article opposing the proposed poverty bill. p. A3923
Extension of remarks of Rep. Ayres criticizing the "shortcomings and deficiencies" in the administration's poverty bill, and urged enactment of his proposed bill. pp. A3944-5
Rep. Younger inserted an article, "The Impact of U.S. Foreign Economic Policy on the War on Poverty." pp. A3954-6

The source for this formula is M. R. Neifeld, "Neifeld's Guide to Installment Computations," Easton, Pa.: Mack Publishing Co., 1953, pages 193-200.

The example quoted for a charge of \$8 a year on the total beginning amount of the loan or the balance of the sale price is correctly shown as 14.8 percent.

However, the person writing the pamphlet failed to realize that the charge of \$8 per \$100 per annum is equivalent to a "simple annual rate" of 14.8 percent per annum, where the amount involved is outstanding for exactly 1 year. If the time during which the debt is to be paid is more than 1 year, or less than 1 year, and if the charge is \$8 per \$100 per annum, the equivalent "simple annual rate" does not necessarily remain at 14.8 percent per annum.

This type of error, which is easy to make, appears later on in the pamphlet, where there is set forth an example involving the purchase of a refrigerator, on which this particular rate of charge is used—\$8 per \$100 per year on the unpaid amount to be financed. As the simple annual rate for this example, the rate again quoted is 14.8 percent. It all looks very easy; but in the example quoted, the amount is to be paid over 18 months, rather than over 12 months; and this changes the rate, figured on the same method used to figure the 14.8 percent, to 15.2 percent; and the statement in the Department's bulletin is incorrect.

I can think of no better proof that the requirements of S. 750 are not easy to comply with than the fact that the Department of Agriculture, with all of its resources, would make a mistake and publish it in a pamphlet of which I understand it is planned to print 100,000 copies for nationwide distribution.

Of course, the Department can make this mistake without any dire consequences; but if a merchant relied on the example given in the Department's bulletin and made the same mistake, he would be subject to the penalties of the bill because he had understated the actual "simple annual rate."

While on this subject, I call to the Department's attention the fact that its so-called typical credit charges apply only to transactions in which the principal is established at the beginning of the period and is constantly reduced by equal payments, equally spaced in time. They do not apply to any other type of installment credit, including the so-called revolving charge accounts.

I am sure there will be some red faces in the Department, and the mistake will be corrected. I hope the lesson will not be lost on the members of the Banking and Currency Committee.

I ask unanimous consent that there be printed in the RECORD, not only the pamphlet prepared by the Department of Agriculture—to which I have referred—but also a copy of an article, by Sylvia Porter, which appeared in the Evening Star of July 23, 1964. The article praises this pamphlet, and thus innocently serves to establish a false faith in its usefulness as a simple and dependable "guide to wise use of consumer credit"—to use Miss Porter's own words.

There being no objection, the pamphlet and the article were ordered to be printed in the RECORD, as follows:

CONSUMER'S QUICK CREDIT GUIDE

Consumer credit comes from banks, credit unions, finance companies, and retail stores. Some charge more than others. Have you shopped around to find where the credit rate is the lowest and most convenient?

Do you know how much you are paying for the use of credit?

Is having something now worth the added credit cost?

How does your decision fit into your family's budget and plans?

Are you sure you can meet this payment, plus all other monthly payments? Will you have money left for emergencies?

TYPICAL CREDIT CHARGES

If charges are based on the beginning amount owed and are included in the 12 equal monthly installments:

If charged \$4 per \$100 or 4 percent per year, the simple annual rate is 7.4 percent.

If charged \$6 per \$100 or 6 percent per year, the simple annual rate is 11.1 percent.

If charged \$8 per \$100 or 8 percent per year, the simple annual rate is 14.8 percent.

If charged \$10 per \$100 or 10 percent per year, the simple annual rate is 18.5 percent.

If charged 1 percent per month, the simple annual rate is 22.2 percent.

If charged only on unpaid amount owed:

If charged three-quarters of 1 percent per month on unpaid balance, the simple annual rate is 9 percent.

If charged five-sixths of 1 percent per month on unpaid balance, the simple annual rate is 10 percent.

If charged 1 percent per month on unpaid balance, the simple annual rate is 12 percent.

If charged 1½ percent per month on unpaid balance, the simple annual rate is 15 percent.

If charged 1¾ percent per month on unpaid balance, the simple annual rate is 18 percent.

If charged 2½ percent per month on unpaid balance, the simple annual rate is 30 percent.

BUYING ON INSTALLMENT? REMEMBER BEFORE YOU SIGN

Read and understand contract. Don't rush.

Never sign a contract with spaces left blank.

Be sure the contract tells: Exactly what you are buying; purchase price, or amount borrowed; interest and service charge in dollars or simple annual rate; total amount due; downpayment; amount and number of payments; dates due; trade-in allowances, if any.

What happens if you can't pay? Or pay ahead?

Know whom you make all payments to.

What are seller's commitments for maintenance, service or replacement?

Be sure you get a copy of contract to keep.

BORROWING MONEY? ASK BEFORE YOU SIGN

How much cash you will actually get?

What is the simple annual rate?

What happens if you have to miss a payment?

How does the lender figure the balance due if you refinance?

If you pay ahead of time is there a penalty? Will you get a refund?

Whom do you make all your payments to?

HOW TO FIGURE DOLLAR COST OF CREDIT

Add all costs you will have. (Add downpayment and total monthly payments).

Subtract cash price of what you are buying.

Difference will be dollar cost of credit.

Example: A refrigerator costs \$300 and can be paid for by making a \$12 downpayment and 18 monthly payments of \$17.92 each.

Add:
Downpayment----- \$12.00
\$17.92 multiplied by 18----- 322.56

Your total cost on credit----- 334.56

Subtract:
Price you would pay if you had cash----- 300.00

Dollar cost of credit----- 34.56

¹ Charge is figured at \$8 per \$100 per year on \$288 (\$300 minus \$12 downpayment). This is a simple annual rate of 14.8 percent.

Source: Issued by the U.S. Department of Agriculture at the request of the President's Committee on Consumer Interest, June 1964.

[From the Washington Star, July 23, 1964]

EASY CREDIT GUIDE FOR CONSUMER USE

(By Sylvia Porter)

Let's say you buy a refrigerator priced at \$300 and arrange to pay for it by putting \$12 down and committing yourself to making 18 monthly payments of \$17.92 each.

This is a routine installment buying deal. The charge to you is \$8 per \$100 per year on \$288—\$300 minus your \$12 downpayment—or a simple annual interest rate of 14.8 percent. How do you figure the dollar cost of your credit?

Add your \$12 downpayment; and
Your 18 monthly payments of \$17.92 which total \$322.56.

Your result is \$334.56. Since you would have paid \$300 in cash for your refrigerator, the dollar cost of your credit is \$34.56.

One of the most concise, simplest guides to wise use of consumer credit I've ever seen has just been prepared for the President's Committee on Consumer Interest at the request of Mrs. Esther Peterson, special assistant to President Johnson for consumer affairs. A few thousand copies of the wallet-sized pamphlet have been printed by the U.S. Department of Agriculture to test the reaction.

The response has been so excellent that the Agriculture Department is now planning to print 100,000 copies for general distribution and Mrs. Peterson has decided to permit anyone who wishes to reproduce the guide to do so for free.

Because it is so short and so simple, this little guide can make a valuable contribution to consumer education—and it can help you even though you may consider yourself a sophisticated buyer of goods on the installment plan.

Here, for instance, are typical credit charges translated into terms of the simple annual interest rates they represent.

Assume your charges are based on the initial amount you owe and are included in 12 equal monthly installments. Then:

If your yearly charge is \$4 per \$100 or 4 percent, your simple annual rate is 7.4 percent.

If your yearly charge is \$6 per \$100 or 6 percent, your simple annual rate is 11.1 percent.

If your yearly charge is \$8 per \$100 or 8 percent, your simple annual rate is 14.8 percent.

If your yearly charge is \$10 per \$100 or 10 percent, your simple annual rate is 18.5 percent.

If your yearly charge is 1 percent a month, your simple annual rate is 22.2 percent.

Or assume your charges are based only on the unpaid balance of your loan. Then:

If your unpaid balance charge is three-fourths of 1 percent a month, your simple annual rate is 9 percent.

If your unpaid balance charge is five-sixths of 1 percent a month, your simple annual rate is 10 percent.

If your unpaid balance charge is 1 percent a month, your simple annual rate is 12 percent.

If your unpaid balance charge is 1¼ percent a month, your simple annual rate is 15 percent.

If your unpaid balance charge is 1½ percent a month, your simple annual rate is 18 percent.

If your unpaid balance charge is 2½ percent a month, your simple annual rate is 30 percent.

A fundamental objective of the consumer organizations established in the White House in recent years is to upgrade consumer education, to help families the Nation over by publicizing the basic rules on sound buying, borrowing, building, saving and investing. As Mrs. Peterson says, "one of our missions is to find ways to reach and teach consumers, particularly those who must make every dollar count." This "Consumer's Quick Credit Guide" superbly fits in with the objective.

The truth in lending bill, which Senator DOUGLAS, Democrat, of Illinois, has been urging for years, is still stalled in Congress. There is no law which would force lenders to tell you the dollar cost of credit or the simple annual interest rate of finance charges.

With the help of this caliber of education material you can, though, do a good job on your own of finding out the "truth in lending."

By preparing this simple guide, by arranging to have it widely distributed and not attempting to sell it, Mrs. Peterson's committee will be performing a valuable service for millions of American families.

EXCESSIVE OIL IMPORTS

Mr. BENNETT. Mr. President, along with other Senators, Congressmen, Governors, and oil industry representatives, I am very much concerned about the serious and deteriorating condition of our domestic oil industry. Excessive oil imports have been largely responsible for the existing situation.

Excessive oil imports have greatly reduced employment in the domestic industry, thus damaging our national economy. Exploration, drilling, and development activities also have steadily declined, with a resulting decline in oil reserves.

The serious situation confronting the industry makes questionable the early economic development of the vast oil shale reserves of Utah, Colorado, and Wyoming.

The coal industry, too, is adversely affected by excessive imports of petroleum which compete for the fuel and energy markets.

In a related detrimental effect to our domestic economy, the heavy purchases of oversea oil are responsible for a tremendous drain on our gold reserves.

Recently, the Independent Petroleum Association of America presented to President Johnson and Secretary of the Interior Udall a strong and meritorious case for a substantial reduction in oil imports. Sixteen Senators, including myself, joined in a bipartisan appeal to the President for a substantial reduction in oil imports. Other Senators and Congressmen, I am certain, addressed individual appeals to the President and the Secretary of the Interior. The Gov-

ernors of some 20 States sent to President Johnson a telegram requesting his assistance in establishing "oil import quotas which comply with the congressional mandate aimed at insuring continued domestic exploration and development of domestic supplies adequate to meet the needs of our national security."

In letters and telegrams, many private citizens expressed their convictions favoring lowered oil imports.

Yet, despite the overwhelming justification and support for a substantial reduction in oil imports, the Johnson administration on June 25 announced an increase of 70,000 barrels daily in oil imports, excluding residual fuel oil, into the United States for the last half of 1964.

As a result of this total disregard of the very serious situation, the domestic industry faces a crisis which will be particularly acute during the next 3 months. The Independent Petroleum Producers view the situation as being so serious as to require immediate emergency action.

Accordingly, on July 7, 1964, in a letter signed by the president of the Independent Petroleum Association of America, the petroleum producers urged Secretary Udall to take emergency action within his authority under the import program. Specifically, the letter recommended that no more than 40 percent of the total import allocations for the last half of 1964 be permitted during July, August, and September, with the remaining 60 percent assigned to the last 3 months of the year. This request recognizes the lower demand for petroleum products during the summer months than during the winter heating months. The letter also urged the Department of Defense to forego the importation of 35,000 barrels daily of jet fuel and gasoline which are readily available in the United States.

Together, these requested emergency actions would reduce imports during July, August, and September by about 200,000 barrels daily. Although this would constitute limited and temporary relief, it would ease the serious oversupply situation now facing the industry.

The domestic oil industry has been forced to cut back production by about 300,000 barrels daily, since March. It seems only fair that imports should share in this burden.

In his letter to Secretary Udall, Mr. True urges reconsideration of the May 25 recommendations of the Independent Petroleum Producers of America, and points out that the difficulties confronting domestic producers will become more and more critical unless corrective action along those lines is taken. Meanwhile, the emergency measures are imperative, to ease the burden temporarily over the next 6 months.

The facts require immediate action to assist the domestic petroleum industry. I have written Secretary Udall to respectfully urge favorable consideration of the emergency proposal of the Independent Petroleum Producers of America, as I am sure many of my colleagues have also done, and have also urged a thorough review of the entire mandatory oil import program, with a view to cur-

tailoring future imports. I cannot over-stress the widespread importance of the domestic petroleum industry to both the peacetime economy and the national security. We must have a healthy industry; and the time for corrective action is now.

IMPORTS OF WOOL PRODUCTS

Mr. BENNETT. Mr. President, a completely understandable suggestion has been made—namely, that the beef, veal, lamb, and mutton import limitation bill, H.R. 1839, be amended so as to include wool products. This is understandable, because the industry is seriously depressed economically, in great part because of excessive imports. This, of course, has a depressing effect on woolgrowers.

Serious consideration has been given to this proposal by the woolgrowers, among others. However, this step will not be taken now. But if the Johnson administration does not soon take decisive action to relieve the present situation, the only alternative will be legislative action.

PADRE ISLAND NATIONAL SEASHORE WINS APPROVAL OF THE NATION

Mr. YARBOROUGH. Mr. President, almost 2 years ago—on September 28, 1962—the bill I introduced, to create a national seashore recreation area on Padre Island, off the gulf coast of Texas, was signed into law.

Padre Island today is already achieving increased national fame, with 81½ miles of island seashore preserved by the 87th Congress, and follow-up action by the Texas State Legislature. It is one of the finest resort areas in the world.

On Thursday, July 9, 1964, the Baton Rouge, La., Times printed a whole page article about this wonderful national seashore recreation area. It is exceeding the fondest hopes of those of us who worked for over 4 years to bring it about.

I ask unanimous consent that an article—published in the Baton Rouge, La., State Times—captioned "Padre Island Boasts Some of Everything for Beach Vacation" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baton Rouge (La.) State-Times, July 9, 1964]

PADRE ISLAND BOASTS SOME OF EVERYTHING FOR BEACH VACATION

(By Dan Hardesty)

There are not many prime vacation spots left in the United States which are not overcrowded or overcommercialized—or overrated—but one not far from Louisiana which entirely escapes those categories is Padre Island.

This long sliver of sand is located off the Texas coast, and it offers everything the individual or the family could want if interested in "a trip to the beach"—110 miles of sand, an almost perpetual sea breeze, good surf fishing, fabulous shell collecting and beachcombing, long fishing piers, beautiful sand dunes, and the choice between a typically crowded beach or absolute privacy, with accommodations ranging from a tent on the lonely beach to first-class resort motels.

An editorial published in the Pocatello, Idaho, Intermountain of July 2, 1964, begins with this sentence:

Beyond the death of the man, bad news enough, the loss of Lynn Crandall is like the burning of an irreplaceable library.

I ask that this editorial be printed in full at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Intermountain, July 2, 1964]

THE WATERMASTER

Beyond the death of the man, bad news enough, the loss of Lynn Crandall is like the burning of an irreplaceable library.

For more than 40 years, 29 of them as watermaster over the 1.2 million acres of Snake River District 36, Crandall amassed information on the Snake River. He knew more than the numbers. The river was a living thing to Crandall and he had a feel of the stream that no other man has achieved. You could always ask Lynn Crandall. Now you can't.

When less imaginative men still treated the stream's flow as so much water, Crandall was spelling out the importance of the return flow to the river from irrigation diversion. From his knowledge of the deep snowfalls above Idaho Falls, he knew that the underground runoff was great and was as reliable and replenishable as the river itself.

Crandall had little patience for the sort of arithmetic that treated each storage and generation project as something apart—the technique used to scuttle Burns Creek Dam, for example—and was too possessed by the thought of the river's unused potential to accept an argument that a given project was right or wrong because of its sponsors.

In conversation he could describe changes in climate, flora and fauna occasioned by the storage and use of the water of the Snake, and had ideas about taking greater advantage of those changes than we do.

We are confident that much of what he knew lies uncompiled in personal correspondence, in his files and in the records of District 36, the U.S. Geological Survey, U.S. Bureau of Reclamation, the area's newspapers, and in nooks and crannies around Idaho Falls. The agencies, the State of Idaho, his survivors and his alma mater, Cornell University, ought to be encouraged to find a way, among them, to gather up the record left by the man who gave special meaning to the title of "Watermaster."

INDIANA DUNES NATIONAL LAKE-SHORE

Mr. DOUGLAS. Mr. President, in an editorial published today, the Washington Post heralds the likelihood that the Senate Interior and Insular Affairs Committee soon, perhaps tomorrow, will favorably report the Indiana Dunes National Lakeshore bill. The widespread support for this bill shows that favorable committee action should come; and I hope very much that it will.

The Washington Post is a stalwart friend of the Indiana Dunes and of conservation in general. If we are soon able to get committee approval and Senate passage of S. 2249, that will be due in no small part to the long and consistent interest which the Washington Post and several other of the Nation's great newspapers have maintained in saving the dunes. Conservationists and all people

who love the beauties of nature owe a debt to this newspaper's leadership.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, of July 28, 1964]

THE DUNES AGAIN

There is some implausible good news about Indiana dunes, the matchless recreation area on Lake Michigan that has been threatened by industrial bulldozers. On Wednesday, the Senate Interior Committee is due to take up a compromise bill that would create an Indiana dunes lakeshore area, thus saving forever a good part of this recreational beach which nature has providentially placed within a hundred miles of 9.5 million people in the Chicago area.

The problem in the past is that the bill was supported by Senator PAUL H. DOUGLAS and by conservation groups, but opposed by powerful steel companies and almost all of the Indiana delegation in Congress. However, a compromise formula has been evolved that is acceptable to the conservationists, to Mr. DOUGLAS, and to both Senators from Indiana, Mr. BAYH and Mr. HARTKE (who, incidentally, deserve immense credit for taking a positive attitude to the problem of saving the dunes).

Under the bill, a lakeshore area of 10.8 miles of shoreline and 11,292 acres would be created, including 2,182 acres and 3 miles of shore line already set aside in a State park. The National Park Service estimates that it would cost \$19 million during the first 5 years to acquire the land, and \$5.8 million to develop the area. This is a modest sum that would be amply repaid in years ahead by the pleasure the area can afford in a congested urban region.

If the Senate committee approves the bill, action by the whole Senate is likely—and enactment of similar legislation by the House would be at least an outside possibility. The cause is a worthy one, and the broad support for the Senate bill auspicious. A nudge from the White House might just prove the key to saving the dunes in this session of Congress.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MEAT IMPORTS—WILD ANIMALS AND WILD BIRDS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

Mr. HRUSKA obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Nebraska yield without losing his right to the floor?

Mr. HRUSKA. I am happy to yield.

Mr. MANSFIELD. Mr. President, I have consulted the leadership on the other side of the aisle and interested Senators on both sides of the aisle. I ask unanimous consent that there be a time limitation of 1 hour on each amendment and 4 hours on the bill.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. COTTON. When the Senator says "each amendment," is that confined to the amendments now at the desk or does it permit new amendments?

Mr. MANSFIELD. No; it refers to any amendment.

The ACTING PRESIDENT pro tempore. Is there objection to the request?

The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I thank the Senator from Nebraska for yielding.

If he will yield further, I should like to suggest the absence of a quorum, not taking the time out of the time under limitation.

Mr. HRUSKA. I yield for that purpose.

Mr. MANSFIELD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if the Senator from Nebraska will yield, I should like to yield myself 1 minute on the bill.

Mr. HRUSKA. I yield.

Mr. MANSFIELD. I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments will be considered en bloc, and they are agreed to en bloc.

Mr. MANSFIELD. And that the bill as thus amended be considered as original text for the purpose of amendment.

The ACTING PRESIDENT pro tempore. Without objection, the bill as amended will be considered as original text for the purpose of amendment.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, I yield myself 2 minutes on the bill for the purpose of making a clarifying statement and inserting statements and other material in the RECORD.

During the week of July 6—specifically, on July 9—the distinguished minority leader [Mr. DIRKSEN], raised a question as to the possibility of beef import legislation being brought before the Senate. At that time, I pointed out it had been my intention to take this legislation up during the week of July 6, but that because there was a "hold"—at least one "hold"—on the bill on the Republican side, because a certain Senator—and there may have been others—wanted to be at the Republican convention beginning on July 10, it was felt that the ordinary courtesies should be extended. Therefore, at that time, during the week of July 6, when the leadership initially had intended to bring up this proposal, it was considered not proper to do so. As a result, it was brought up yesterday,

which gave the Senate the first available opportunity to consider this most important legislation.

I ask unanimous consent that statements of the distinguished minority leader [Mr. DIRKSEN] and myself, under date of July 9, 1964, on page 15653 of the RECORD, in columns 2 and 3, under the heading "Amendment of Tariff Act of 1930—Regulation of Importation of Beef," be inserted at this point in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

AMENDMENT OF TARIFF ACT OF 1930—REGULATION OF IMPORTATION OF BEEF

Mr. DIRKSEN. Mr. President, the distinguished majority leader announced that in the week of July 20, the Senate would take up Calendar No. 1105, H.R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States. I understand that the bill contains other items; and I thought that perhaps the majority leader would like to make a brief explanation of the rest of the bill.

Mr. MANSFIELD. Yes, there is much more to H.R. 1839 than to provide for the free importation of wild animals and wild birds.

The bill considers the question of the importation of beef into the United States, imports which reached an exorbitant level last year, so that they comprised 11 percent of the total.

This year, imports are down to approximately the amount I endeavored to bring them to under the Mansfield amendment; namely, the average of the past 5 years, 1959 to 1963, inclusive. This would reduce the amount of imports from 11 percent to around 6 percent. It is my understanding that the imports of beef will be below the 6-percent level for the rest of this year and that this situation will very likely continue into next year, as well. This is because Australia and New Zealand, principally have found that there is a demand in Western European markets, primarily, for their cutter stock, and also because, despite overproduction and overfeeding in this country, there happens to be a world shortage of meat, and we are finding new markets in France and Italy and, I believe, most recently, in Israel.

Furthermore, the Department of Agriculture is spending close to \$100 million in the buying of domestic beef. The Department of Defense has purchased on the order of 100 million pounds of domestically produced beef. All Defense Department purchases of beef for Western Europe, which used to be in the large part from the Western European countries, are now made in this country.

I believe the amendment I have submitted is better than the substitute adopted by the Committee on Finance and offered by the distinguished Senator from Nebraska [Mr. CURTIS].

It had been my intention, as the minority leader is well aware, to call up the bill this week, because it has been cleared by the Committee on Finance. On last Monday, the Democratic policy committee cleared it, as well. However, because a good many Republicans were interested, for some reason or other, in what is transpiring and will transpire in San Francisco, it was deemed not advisable to bring up the bill this week, and at their requests its consideration was postponed. However, as I announced earlier, sometime after the Senate reconvenes on July 20 the bill will be laid before the Senate for consideration and debate.

Mr. DIRKSEN. I thank the Senator from Montana.

Mr. MANSFIELD. Mr. President, I further ask unanimous consent that correspondence which I have had with the Department of Agriculture, the U.S. Tariff Commission, and stock growers in the State of Montana, and certain other material be incorporated at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, October 8, 1963.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: The Department has been closely watching developments in the importation of beef and veal. However, since receiving your letter of September 17 we have thoroughly reviewed the situation and the enclosed material presents the specific statistical information you have requested.

As is shown in tables 1 and 2, both imports and domestic production of beef and veal have been increasing. However, during most years since 1956 imports have increased at a faster rate than has production, and in 1962 they equaled 10.6 percent of domestic production. Thus far in 1963 both imports and domestic production are higher than during the same months in 1962 with the result that imports continue to be about 10 percent of domestic production.

Domestic consumption of beef and veal also has increased over the past several years. In 1962, per capita consumption exceeded that in 1958 by more than 6 pounds.

A number of individuals have observed the growing magnitude of imports and the price pressures in the fed cattle market, and have drawn the conclusion that imports are the primary cause of lower fed cattle prices. We do not believe this to be the case, as imports are only one of several factors involved. Meat and cattle prices appear to respond mainly to changes in domestic meat and cattle supplies as well as to other factors such as changes in consumer incomes. Further, price trends in the past indicate that the market for fed beef is, to an important extent, separate from the market for nonfed beef. Thus, the major factor influencing the price of fed beef is the supply of this fed beef. Likewise, the principal factor affecting the price of cow beef is the supply of such beef, although the price of fed beef probably places an upper limit on cow beef prices.

Consequently, we would expect nearly all of the impact of the current beef imports to be felt in the cow beef market. Over four-fifths of the beef and veal imported in 1962 was of fairly low quality and was used in the production of processed meat products rather than being retailed directly as fresh meat. Basically, these imports were comparable in quality with domestic cow beef, and were used for the same general purposes. Nevertheless, prices of utility cows have remained moderately high and stable since 1960, despite the heavy imports during this period. Late September quotations this year show that prices are continuing at about 1962 levels. The principal reason for this is that domestic slaughter of cows has declined as cattlemen have continued to build up herds with the result that the supply of cow beef from domestic slaughter also has declined, as is shown in chart 1 and table 3. Domestic cow slaughter over the past 3 years has been at the lowest level since the end of the war.

Consequently, total supply of cow beef, including both domestic production and imports, now is about the same as the annual

average from 1954 to 1957, and on a per capita basis, of course, it is lower.

With respect to fed beef—which accounts for the principal part of total domestic commercial slaughter—price developments do not support the view that imports have depressed prices. Year-to-year changes in fed cattle prices now seem to be as fully explained by changes in domestic fed beef production as were price movements in earlier years when imports were lower. Even the sharp drop in fed cattle prices over the past several months has been associated with an upturn in fed cattle slaughter and continued heavy marketings of certain competing products. The information in chart 2 and in table 3 shows the relationship between the price of choice steers and fed beef production over the past several years. Further, the conclusion that recent levels of imports have had a negligible impact on fed cattle prices seems reasonable, since only a small quantity of imported beef and veal competes directly with fed beef at retail, and since cow prices have remained fairly stable.

No doubt imports have had some impact on the domestic markets for cows. It appears that prices of canners, cutters, and utility animals did not increase as rapidly when prices of fed steers increased in late 1962 as they might have, had beef and veal imports remained at 1957 levels. If beef and veal imports were now at 1957 levels, prices for such quality animals would be higher simply because of the sharp cutback in the total supply of cow beef.

Nevertheless, imports have helped sustain a strong and increasing demand for processing quality beef which should continue when domestic cow beef production increases as it is expected to do at a later point in the cattle cycle. This increased beef consumption may be furthering the moderate strengthening of the demand for beef observed in recent years as consumers have eaten more beef relative to lamb and pork. Furthermore, income received by U.S. farmers from sales of cattle and calves has been and continues to be high in spite of high levels of imports. In 1962 cash receipts of U.S. farmers from marketings of cattle and calves totaled \$8.1 billion, a record high, and about \$700 million higher than in 1960. Present indications are that income in 1963 will approximate that received in 1962.

We believe that the foregoing information raises a real question regarding a moratorium or quota on beef imports at the present time. In addition, the adoption of such restrictive measures might generate greater difficulties in our present strenuous effort to moderate international trade restrictions and expand foreign markets. All told, this is now a five billion dollar market for American farm products. Beef and other livestock products account for over \$300 million of this total.

We realize that the cattle cycle is now entering an important phase. Ranges are carrying an increasingly large number of animals. Large increases in the number of cattle on feed have taken place. In such periods livestock marketings and prices are particularly sensitive to any change in physical or economic conditions. For example, if widespread drought developed next year, it would precipitate heavy marketings, and could exert a sharp downward pressure on prices. Special measures might be considered at that time if such conditions developed and imports continued to increase. Judging from the past, however, imports would be expected to decline under such circumstances even though no additional import controls were imposed.

We shall continue to appraise changes in the cattle industry carefully and shall be glad to supply additional information regarding prices and imports if you would care to have us do so.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

OCTOBER 17, 1963

HON. ORVILLE FREEMAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: During the past several days I have been studying over your letter of October 8, 1963, and the attached statistical information. I want to thank you for a very complete and thorough report on the beef and cattle import situation.

Your report raises several important points pertaining to the relationship between fed cattle prices and American farm products in the world market. While your report recommends against the imposition of import quotas or trade restrictions on beef and cattle it does little to reassure the domestic livestock producer in the United States. As I indicated to you in my previous correspondence the price of cattle and beef in the marketplace is the dominant issue in areas of the Nation dependent on a ranching economy.

As the importers continue to take a bigger share of the domestic market and when there is no material improvement in cattle and beef prices it is very difficult to impress the stockgrowers that the situation is stable and not fraught with economic difficulty.

I again urge you to review the situation to determine how we might best give the farmers and ranchers of the Nation some assurances that these conditions will improve and that the domestic industry will receive the necessary protection from the Federal Government.

Any additional comments you might care to make at this time would be appreciated. I would appreciate your giving me a quarterly report on the prices and imports of beef and cattle.

Thanking you and with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

P.S.—It is my understanding that representation of the American Cattlemen's Association have been in Australia and New Zealand seeking to bring about a solution to the question of excessive frozen beef imports but that no success has been achieved. It would appear to me that negotiations on a government-to-government basis would be more preferable.

Regards.

M.M.

OCTOBER 17, 1963.

HON. ALLEN J. ELLENDER,
Chairman, Senate Committee on Agriculture
and Forestry, U.S. Senate, Washington,
D.C.

DEAR MR. CHAIRMAN: On recent visits to Montana I have had an opportunity to talk issues with farmers and ranchers of my State. Somewhat to my surprise the major topic of concern has not been the status of the administration's farm program or whether or

not there would be a 1965 wheat program but rather the declining income of the livestock producers and the increasing amount of imported cattle and frozen beef products.

The ranchers consider imports a real threat and firmly believe that they are the cause of the price decline. I have discussed this matter with the Department of Agriculture on several occasions. Attached is the latest report from the Secretary of Agriculture which goes into the matter in some detail. The Secretary does not feel that the situation merits import controls. As you know, the U.S. Tariff Commission is similarly disposed.

At first glance it may not seem unreasonable that the imports should have approximately 10 percent of the domestic market, but it gives rise to additional considerations. First, the rancher does consider the matter very serious. What concerns me the most is that the foreign markets have consistently been permitted to take the cream off the top of the cattle and beef market and every time there is a dip in prices it is the domestic producer that suffers.

The livestock industry is of considerable importance to the West and their interests merit attention by the Federal Government. It is with this thought in mind that I ask that this entire situation be reviewed by your committee so that recommendations in behalf of improving the domestic cattle and beef industry will be forthcoming. The situation as represented in graphs and charts does not, in my opinion, correspond with conditions I found among the livestock producers of Montana and the West.

It is my sincere hope that this proposal can be worked into the schedule of the Committee on Agriculture and Forestry.

Thanking you and with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

P.S.—It is my understanding that representatives of the American Cattlemen's Association have been in Australia and New Zealand seeking to bring about a solution to the question of excessive frozen beef imports but that no success has been achieved. It would appear to me that negotiations on a government-to-government basis would be more preferable.

Regards.

M.M.

U.S. SENATE,
COMMITTEE ON
AGRICULTURE AND FORESTRY,
October 31, 1963.

HON. MIKE MANSFIELD,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Thank you for your letter suggesting that the Committee on Agriculture and Forestry review the entire situation regarding the importation of cattle and frozen beef products and the effect that imports have had on prices of domestic livestock.

There is no doubt but that the importation of both livestock and processed meats has increased materially in recent years. The data submitted to you by the Department of Agriculture shows that in 1962, 1,232,000 head of livestock were imported as compared to only 138,000 in 1952. Similarly, imports of processed meats increased from 429 million pounds in 1952 to 1,445 million pounds in 1962. The data also show that imports as a percentage of total U.S. meat production has increased from 4.4 percent in 1952 to 10.6 percent in 1962.

The increase in the volume of imports of livestock and livestock products in recent years has caused me some concern, just as many livestock producers are concerned. As a matter of fact, I have discussed this matter with officials of the Department of Agriculture on several occasions, the most recent being yesterday. Department officials share my concern, although, as I understand it, they feel that while imports have increased materially in recent years, the effect on fed-cattle prices has been negligible. Whether this is so I do not know, but they do present a strong case for their point of view.

The livestock people, on the other hand, feel that the effect has been material, and that some action should be taken to limit imports.

It is my impression that the livestock industry would prefer that there be some sort of a voluntary control or allocation as between this country and the principal exporters of livestock and livestock products, rather than attempting to achieve their objective through legislation. I endorse this point of view and have made suggestions along this line to Department officials.

As a matter of fact I have been informed that a meeting between Department officials and leaders in the livestock industry took place on October 29 for the purpose of reviewing the entire import situation. The Department feels that in this way a closer understanding will result. Department officials further inform me that they are considering the possibility of negotiations between this country and the leading export countries for a reasonable import level.

It is my intent to request from the Department officials a complete report on the results of this latest meeting. Upon receipt of this report I feel that we will be in a better position to judge the case on its merits.

Upon receipt of the report I will again contact you in regard to your request. I would hope, however, that this matter could be decided between the leaders of the livestock industry and the Department of Agriculture without the necessity for a public hearing.

With kindest personal regards and best wishes, I am,

Sincerely yours,

ALLEN J. ELLENDER,
Chairman.

TABLE 1.—U.S. imports of cattle and beef compared with U.S. production, by year, 1950-62—Cattle and calves and beef and veal

Year	Imports				U.S. meat production ¹	Imports as a percent- age of production	Per capita supply of beef and veal ⁴	Year	Imports				U.S. meat production ¹	Imports as a percent- age of production	Per capita supply of beef and veal ⁴
	Live animals		Meat ¹	Total ²					Live animals		Meat ¹	Total ²			
	Number	Meat equiv- alent							Number	Meat equiv- alent					
	Thousand head	Million pounds	Million pounds	Million pounds	Million pounds	Percent		Thousand head	Million pounds	Million pounds	Million pounds	Million pounds	Percent		
1950	438	157	348	505	10,764	4.7	74.0	1957	703	221	395	616	15,728	3.9	95.0
1951	220	91	484	575	9,896	5.8	67.6	1958	1,126	340	909	1,249	14,516	8.6	90.1
1952	138	47	429	476	10,819	4.4	71.7	1959	688	191	1,063	1,254	14,588	8.6	89.1
1953	177	62	271	333	13,953	2.4	89.2	1960	645	163	775	938	15,835	5.9	92.8
1954	71	35	232	267	14,610	1.8	91.3	1961	1,023	250	1,037	1,287	16,341	7.9	96.0
1955	296	93	229	322	15,147	2.1	93.2	1962	1,232	280	1,445	1,725	16,311	10.6	96.7
1956	141	43	211	254	16,094	1.6	96.8	January-June 1963	513	109	738	847	8,462	10.0	49.2

¹ Estimated at 53 percent of the live weight of all dutiable imports of cattle.

² Canned and other processed meats have been converted to their carcass weight equivalent.

³ Total production (including farm slaughter).

⁴ Commercial beef and veal production plus beef and veal imports per capita.

TABLE 2.—U.S. imports of cattle and beef compared with U.S. production, by months, 1958-63—Cattle and calves and beef and veal

[In millions of pounds]

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
1958													
Imports ¹	86	90	79	94	96	95	123	112	123	121	111	120	1,249
Domestic production ²	1,317	1,046	1,076	1,113	1,152	1,169	1,244	1,171	1,242	1,323	1,059	1,174	14,086
Imports as percent of domestic production.....	6.5	8.6	7.3	8.4	8.3	8.1	9.9	9.6	9.9	9.1	10.5	10.2	8.9
1959													
Imports ¹	103	88	79	108	115	131	108	114	143	86	73	106	1,254
Domestic production ²	1,202	1,013	1,102	1,172	1,141	1,185	1,246	1,159	1,264	1,278	1,160	1,240	14,162
Imports as percent of domestic production.....	8.6	8.7	7.2	9.3	10.1	11.1	8.7	9.8	11.3	6.8	6.3	8.5	8.9
1960													
Imports ¹	73	72	74	90	72	76	85	113	81	64	62	76	938
Domestic production ²	1,275	1,162	1,284	1,141	1,279	1,332	1,251	1,406	1,399	1,360	1,281	1,229	15,399
Imports as percent of domestic production.....	5.7	6.2	5.8	7.9	5.6	5.7	6.8	8.0	5.8	4.7	4.8	6.2	6.1
1961													
Imports ¹	75	66	80	99	78	111	117	153	111	134	151	112	1,287
Domestic production ²	1,316	1,159	1,324	1,209	1,400	1,412	1,279	1,433	1,352	1,427	1,321	1,240	15,890
Imports as percent of domestic production.....	5.7	5.7	6.0	8.2	5.6	7.9	9.1	10.7	8.2	9.4	11.4	9.0	8.1
1962													
Imports ¹	121	98	170	119	99	119	118	182	168	165	191	176	1,725
Domestic production ²	1,409	1,180	1,310	1,212	1,391	1,348	1,360	1,429	1,275	1,450	1,288	1,215	15,867
Imports as percent of domestic production.....	8.6	8.3	13.0	9.8	7.1	8.8	8.7	12.7	13.2	11.4	14.8	14.5	10.9
1963 ³													
Imports ¹	121	175	158	119	149	125							³ 847
Domestic production ²	1,424	1,230	1,344	1,369	1,470	1,373							³ 8,216
Imports as percent of domestic production.....	8.5	14.2	11.8	8.7	10.1	9.1							³ 10.3

¹ Beef, veal, and meat equivalent of live cattle and calf imports.³ 6 months.² Commercial beef and veal production. (Does not include farm slaughter, which is included in table 1.)

TABLE 3.—U.S. production of fed beef and veal, and cow beef, and imports and prices, 1947-62

Year	U.S. production, fed beef and veal ¹	U.S. production, cow beef ¹	Imports, beef and veal ²	Cow beef production plus imports	Utility cow prices, Chicago	Choice steer prices, Chicago	Year	U.S. production, fed beef and veal ¹	U.S. production, cow beef ¹	Imports, beef and veal ²	Cow beef production plus imports	Utility cow prices, Chicago	Choice steer prices, Chicago
	Million pounds	Million pounds	Million pounds	Million pounds	Dollars per hundred pounds	Dollars per hundred pounds		Million pounds	Million pounds	Million pounds	Million pounds	Dollars per hundred pounds	Dollars per hundred pounds
1947.....	7,564	4,025	64	4,089	14.26	26.22	1955.....	10,251	4,449	322	4,771	11.52	23.16
1948.....	6,495	3,594	356	3,950	19.49	30.96	1956.....	11,262	4,369	254	4,623	11.37	22.30
1949.....	7,412	2,970	254	3,224	16.33	26.07	1957.....	11,208	4,086	616	4,702	13.61	23.83
1950.....	7,235	3,150	505	3,655	19.36	29.68	1958.....	10,894	3,192	1,249	4,441	18.41	27.42
1951.....	6,543	2,978	575	3,553	24.48	35.96	1959.....	11,278	2,884	1,254	4,138	17.79	27.83
1952.....	7,482	2,935	476	3,411	19.53	33.18	1960.....	12,387	3,012	938	3,950	15.68	26.24
1953.....	9,760	3,746	333	4,079	12.41	24.14	1961.....	13,137	2,753	1,287	4,040	15.66	24.65
1954.....	10,031	4,121	267	4,449	11.46	24.66	1962.....	12,945	2,922	1,725	4,677	15.50	27.67

¹ Estimated from total commercial slaughter.² Includes meat equivalent of live animals imported.

DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, November 12, 1963.

Hon. MIKE MANSFIELD,

U.S. Senate,

Washington, D.C.

DEAR SENATOR MANSFIELD: We are glad to have your letter of October 17 concerning beef imports, and agree that this subject is of major concern to the domestic cattle industry. Many cattlemen feel that increased imports this year over last are the major reason for the decline in domestic fed cattle prices since July.

In view of this situation, we are again evaluating this matter. As part of this re-evaluation, the Department invited a number of cattlemen to a meeting here on October 29 for a discussion of all factors affecting cattle prices. We continue to feel, as we discussed with the cattlemen, that the major factor affecting prices, particularly of fed cattle, is the pronounced increase in domestic production this year as compared with last. Domestic production of fed beef this year probably will exceed 1962 by about 10 percent. Such a large increase cannot be moved into domestic consumption without a depressing effect on prices.

Nevertheless, we also believe that increased production does not account fully for price declines over the past few months. In consequence, we are readying material to be used in discussing the entire subject of beef imports with the meats group of the General

Agreement on Tariffs and Trade which is meeting later this month. The cattlemen likewise are developing recommendations concerning ways by which imports might be controlled. We expect to have another meeting with them probably next month to discuss these recommendations, as well as other measures which might strengthen cattle prices such as more intensive promotional work. I am hopeful that these efforts will produce a solution that will help the domestic cattle industry without jeopardizing our efforts to broaden international trade. Some of the beef now entering the United States from New Zealand, Australia, and Ireland might instead be shipped to other countries where the trade restrictions in these other countries lowered.

You may be interested in the enclosed compilation of statistics concerning cattle and beef. We will transmit information showing prices and imports for future quarters as soon as it becomes available.

Sincerely yours,

CHARLES S. MURPHY,
Acting Secretary.

U.S. SENATE, COMMITTEE ON AGRICULTURE AND FORESTRY,

November 19, 1963.

Hon. MIKE MANSFIELD,

U.S. Senate,

Washington, D.C.

DEAR SENATOR: This is in further reference to your letter of October 19, 1963, concerning

the effect that the importation of meat and meat products have had on domestic prices of livestock. I am forwarding a copy of the report on this subject which I received from the Under Secretary of Agriculture in response to my request.

You will note that the Department reports that it is reviewing trade policies in the area of meats generally both as a basis of discussion with the meats group of the General Agreement on Tariffs and Trade later this month and in order to review alternative possibilities at any further meeting with the cattlemen.

This country's position on trade is well known. We are at present preparing to negotiate on a wide variety of issues with other friendly countries in order to improve our trade relationships. Further, there is little doubt but that increased world trade is necessary, not only to our agriculture, but to the well-being of our national economy as well. Under these circumstances the complexity of the problem is magnified.

However, I know that the cattlemen are aware of this. As a matter of fact, in my opinion, they have exhibited rare patience and forbearance under very adverse conditions.

The willingness of the Department of Agriculture to explore all possibilities with the cattlemen certainly indicates their interest and concern. I feel that the cattlemen would be wise to pursue this matter with Department officials in the hope that an

agreeable administrative solution may be obtained. For my part, I will continue to do what I can to further a desirable solution.

With kindest personal regards and best wishes, I am,

Sincerely yours,

ALLEN J. ELLENDER,
Chairman.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., November 27, 1963.

HON. ALLEN ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR ALLEN: This will acknowledge receipt of your letter of the 19th which has just reached my desk and which I have read with interest, as well as the copy of the letter of November 12 addressed to you by Charles S. Murphy, Acting Secretary of Agriculture, concerning the imports of meat and meat products and their effect on the domestic prices of livestock.

I want to thank you for your courtesy in letting me know of your continued and personal interest in this matter and also your statement that "the willingness of the Department of Agriculture to explore all possibilities with the cattlemen certainly indicates their interest and concern." With your statement that you "feel that the cattlemen would be wise to pursue this matter with Department officials in the hope that an agreeable administrative solution may be obtained," I am in accord.

My views are in accord with those of the cattlemen who met with officials of the Department of Agriculture on October 29, in that the increases of imports on beef are now having a seriously adverse effect on both fed and lower quality cattle. I agree also with them that if action is not taken that the excessive increases in imports will continue considerably above present levels in the next several years and that the effect on U.S. cattle prices will be more severe.

I am in wholehearted accord with their views that they would like some kind of controls imposed on imports that would limit the total imports of beef, and these controls might well be based on a quota system.

I note that the Department states that some of the cattlemen who were at the meeting indicated as a result of their conferences in Australia and New Zealand earlier this year, that they had found some interest among cattlemen in those countries for voluntary limitations of shipments to the United States.

Frankly, I would disagree with this assumption, although those cattlemen in those two countries certainly would be in a better position to make this statement than I. While there is a parallel in voluntary agreements in relation to U.S. imports of textiles and dairy products, I think it is stretching it too far to compare this with cattle, though if an agreement could be worked out on this basis, I would certainly be in favor of it.

It is my belief, barring development of some better suggestions on trade policy, it would be best to impose a rigid quota system which would reduce the continuing flow of beef and meat products to the end that the American cattlemen would have more protection in the U.S. market and be given more consideration vis-a-vis imports, so their prices could be protected and not continually decreased through the increases of importation of beef and meat products.

I would suggest most strongly, ALLEN, that you use your great prestige as chairman of the Committee on Agriculture and Forestry to get your committee to advocate such a policy, and I want to assure you that I will continue to do what I can with the Department of Agriculture to consider doing the same.

Must close now, but thanking you for your courtesy in writing to me and assuring you on behalf of Montana cattlemen I deeply appreciate your personal support, I am,

Sincerely yours,

MIKE MANSFIELD.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, November 12, 1963.

HON. ALLEN ELLENDER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ELLENDER: With respect to your letter of October 31, this Department is watching beef production in the United States, the importation of beef and feeder cattle, and the repercussions of increased production and imports on domestic markets and prices very closely. In order to present our own analyses of the situation, and to obtain the views of the cattle industry on these matters, the Department invited a number of cattlemen to a meeting here on October 29 for a firsthand discussion of recent developments as we had done in the fall of 1962. Seventeen, including officials of major cattlemen's associations, attended.

At the meeting, the Department of Agriculture indicated that depressed prices for fed beef in 1963 are largely but not fully accounted for by increased domestic production. Domestic production of fed beef will be some 10 percent higher in 1963 than in 1962. These larger supplies can be moved into consumption only with somewhat lower prices.

Despite a present tendency toward feeding increased numbers of cattle to very heavy weights, it was agreed that no special program should be undertaken to encourage marketing at lighter weights, since this might precipitate even heavier marketings and lower prices in the next few months than would otherwise occur.

The cattlemen present indicated that a program to promote the consumption of beef might move the large supplies to market with minimum price declines. They felt, however, that such a program should be initiated by the industry rather than by Government. The Department regularly provides consumer information on plentiful and economical foods, and stands ready to cooperate in any authorized way to promote beef consumption if the industry requests such cooperation.

The cattlemen present expressed their belief that increased imports of beef are now having a seriously adverse effect on domestic prices of both fed cattle and lower quality cattle. Their principal concern, however, is that imports will increase considerably above present levels in the next few years and have a much larger impact on U.S. cattle prices. Consequently, they would like to see some kind of controls imposed that would limit total imports of beef. Quotas rather than additional tariffs were suggested as the most desirable basis for limiting beef imports. The group indicated that additional controls are not needed with respect to feeder cattle imports.

A number of the cattlemen present had inspected cattle producing areas in Australia and New Zealand earlier this year, and had found some interest among cattlemen in these countries—which now account for over two-thirds of our beef imports—for voluntary limitation of shipments to the United States. Recent agreements with exporting countries with regard to U.S. imports of textiles and dairy products were cited by the invited group as a pattern for action to limit beef imports. It was understood that such action would require new legislation in Australia, however.

As a result of the meeting and at the request of the cattlemen present, the Department is reviewing trade policy in the area of meats generally, both as a basis for dis-

cussions at the meeting of the meats group of the General Agreement on Tariffs and Trade later this month, and in order to review alternative possibilities at any future meeting with the cattlemen.

The Department indicated its willingness to hear and to discuss specific proposals with respect to meat imports, and will hold another meeting if it is mutually agreeable in about a month.

We continue to be concerned about the domestic livestock industry, and will offer all possible cooperation recognizing that we must not impair our efforts to stimulate a reduction of trade barriers generally over the world.

Sincerely yours,

CHARLES S. MURPHY,
Acting Secretary.

[From the CONGRESSIONAL RECORD,
Jan. 8, 1964]

CATTLE AND BEEF IMPORTS

Mr. MANSFIELD. Mr. President, in recent weeks there has been an increasing and justified expression of concern about the importation of cattle and beef products and the effect that it is having on the domestic cattle industry. I have noted that more and more of our colleagues here in the Senate and House of Representatives are expressing their concern about the situation. The CONGRESSIONAL RECORD contains a wealth of supporting information.

The cattle market is dropping, in fact in some areas the livestock interests are beginning to suffer economically. The increase in cattle and beef imports may not be the only cause, but in my observations they certainly are a major one. My distinguished colleague, the junior Senator from North Dakota [Mr. BURDICK] informed me that between 1956 and 1962 there was an average of 890 million pounds imported while in 1962 there were 1.9 billion pounds imported and this year the increase is even larger. This situation cannot be handled lightly when we are presented with such information as this.

In addition to the import situation the livestock producer is confronted with customer preferences and changing marketing patterns. These matters need attention but I feel that the most beneficial action at this time would be the establishment of a quota system on imports.

There has been quite a bit of talk about legislation. I do not think this is the quickest way; in fact it might confuse an already complex situation. I have discussed this matter with a number of officials in the administration and I feel that this can be done administratively under existing law.

Senator BURDICK was successful in getting the Senate Finance Committee to adopt a resolution directing the Tariff Commission to begin an investigation of the impact of foreign beef imports on the domestic market. I hope the Commission will act expeditiously in this matter. I believe there is sufficient authority under the Trade Expansion Act and through Executive action to bring about some relief.

The livestock industry is one of our most basic industries in our country, it cannot be allowed to drift. I commend this matter of increased cattle and beef imports to the attention of our President and his counselors, and ask that it be given immediate attention and action at the Executive level.

Mr. President, while I was in Montana, I received from the Secretary of Agriculture a message to the effect that a meeting would be called this afternoon—January 8 at 3 p.m.—to consider the difficult situation confronting the cattle industry. It was my understanding at that time that a number of Members of Congress would meet informally with the Secretary of Agriculture to consider ways and means to cope with the grave economic difficulty confronting the

cattle industry and the Nation. As the Senate knows, imports of frozen beef from Australia and New Zealand have increased from 890 million pounds in 1956 to 1.9 billion pounds in 1962. This is a situation which does not call for tariffs, but does call for a reasonable quota system which will insure that the American cattle producer has the first and foremost claim on the American market.

Therefore, while understandable because of reasons beyond the Secretary's control, I was extremely disappointed to be informed by the Department of Agriculture that the meeting scheduled for today, Wednesday, January 8, had been postponed. It would be my hope that this meeting will be rescheduled at the earliest possible moment, to the end that we may face up to the crisis confronting the cattle industry and that the necessary steps may be taken to insure to the American cattle producers every right, consideration, and protection to which they are entitled in maintaining their full share of this most important segment in our economy.

U.S. DEPARTMENT OF AGRICULTURE,
ECONOMIC RESEARCH SERVICE,
Washington, D.C., January 16, 1964.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: This office has been asked to reply to your December 18 letter to Secretary Freeman and the accompanying December 10 letter from the Honorable J. S. Brenner to you. Mr. Brenner was concerned about the meat import situation and urged that a sliding scale tariff be adopted that would discourage imports when domestic beef is in long supply, but would not discourage them when our production is low.

The Department shares with our cattle producers and farmers a deep concern over the impact of imported beef on cattle prices and on the market opportunities for domestic beef generally. The Department has been actively exploring new arrangements which would provide greater protection for domestic cattlemen without adversely affecting export markets for our own products. Discussions are now underway with major beef exporting countries on the question of limiting exports to the United States.

At the recent meeting of the meats group of the General Agreement on Tariffs and Trade in Geneva, representative of the United States strongly urged other importing countries to reduce restrictions on imports and to open their markets to some of the beef now finding its way into the U.S. market. The United Kingdom and the European Economic Community, for example, have increased their restrictions on beef imports in recent years. Progress in reducing such restrictions is essential if world trade is to be expanded generally through current trade negotiations. This point will continue to be emphasized at future meetings of the meats group.

The Department of Agriculture also has held extensive discussions with representatives of the cattle industry seeking to develop workable means of minimizing the impact of imports and expanded domestic production on cattle prices. Specific recommendations were prepared by State and National associations. These were reviewed in a meeting with representatives of cattlemen's associations and farm organizations at the Department of Agriculture on January 8. The Department will continue to work with industry representatives on these matters.

In addition, the Senate Finance Committee has directed the U.S. Tariff Commission to investigate the competition between beef produced in the United States and in foreign countries, and to report the results of this investigation by June 30, 1964.

In the meantime, the Department is continuing its appraisal of the effect of imports on domestic cattle prices and markets. Fed beef prices (choice steers, Chicago) averaged \$27.67 per hundredweight in 1962, and in 1963 averaged about \$24—about \$3.70 lower. The domestic production of fed beef in 1963 exceeded that in 1962 by about a tenth. Careful evaluations of cattle price changes since World War II indicate that such an increase in supply from 1 year to the next would have a heavy depressing effect on prices, and might account for about three-fourths of the 1963 price decline.

Mr. Brenner, in his analysis, concluded that the increase in domestic supply should have resulted in lower prices of about \$2.50 to \$3 per hundredweight. As indicated, this drop appears to be consistent when the average price for 1963 is compared with the average price in 1962. However, during any one month of the year, the change may be considerably different. For example, prices of choice steers at Chicago averaged \$22.29 in December 1963 compared with \$28.91 in December 1962. It is difficult to fully account for all of the price changes which occur in a relatively short period of time such as a month. For example, we cannot fully explain the rise in prices of choice steers at Chicago to \$30.13 per hundredweight in November 1962 from \$25.58 in the same month of 1961 by such factors as changes in domestic supply.

Record supplies of broilers and higher pork production also put additional pressure on cattle prices in 1963. Nevertheless, it is clear that imports, too, are having a significant influence and probably accounted for about 15 percent of the drop in prices of fed cattle in 1963. Prices of utility cows and similar lower grade animals also have been affected by imports. The enclosed article presents results from a recent study showing the influence of beef imports on domestic cattle prices.

The Department has given and is continuing to give close study to these developments affecting the domestic cattle industry. We are examining further the ways in which imported beef is being used and the domestic markets in which imported supplies are having the most serious repercussions.

We are hopeful that the several lines of action outlined above will lead to satisfactory arrangements on meat imports without impairing opportunities to develop larger exports for agricultural products generally in the years immediately ahead.

Sincerely yours,

CARL P. HEISIG,
Acting Administrator.

DEPARTMENT OF STATE,
Washington, D.C.

Hon. MIKE MANSFIELD,
U.S. Senate.

DEAR SENATOR MANSFIELD: Because of your interest in the matter of imports of beef and veal, I would like to bring you up to date on developments so far.

Over the past few weeks the Departments of State and Agriculture and the Office of the Special Trade Representative have been discussing with representatives of the Australian Government the subject of imports of beef and veal into the United States. Australia is the main source of U.S. imports of beef and veal. We are now considering the results of the first exchange of views, following which further discussions are expected.

We have also had preliminary conversations with New Zealand, Ireland, and Mexico. These countries are significant suppliers of beef and veal.

In our discussions to date the suppliers of imported beef and veal have demonstrated an understanding of the problem and a will-

ingness to cooperate toward working out a satisfactory solution.

I hope this information will be helpful to you. I shall keep you informed of significant developments.

Sincerely yours,

FREDERICK G. DUTTON,
Assistant Secretary.

U.S. SENATE,
Washington, D.C., February 17, 1964.

Mr. BEN D. DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: In response to a resolution adopted by the Senate Finance Committee, the U.S. Tariff Commission will soon begin an investigation of the impact of foreign cattle and beef imports on the domestic market. This is a matter of considerable importance to the State of Montana as one of the leading producers in the livestock industry.

The problems now plaguing the ranchers are many and complex. Each day our mail brings new and more desperate appeals for aid in stopping the present decline in cattle prices. There is an immediate need to stabilize the cattle and beef market or we fear we will be faced with a situation of momentous proportions.

This is many-sided problem, but one of the major causes is the increasing share of the domestic market that is being taken over by the importers. The trend over the past several years has been in this direction until we now find that imported beef equals more than 11 percent of U.S. production. What has been a threat has now been compounded into an unfair and difficult situation.

As the members of the Commission know, the United States is the only major beef market without quantitative restrictions and very low duties. Also, we take 51 percent of the world trade in beef. On the basis of these facts, we wish to support the industry in its request for an establishment of a quota system or tariff protection based on domestic consumption and production.

The executive branch of our Government has the authority to provide relief to the cattle industry. The need is amply demonstrated. The Nation's Government must take the initiative to prevent a very serious economic depression in one of our basic industries. The Tariff Commission can recommend the necessary relief to the President. If the Federal Government does its part, it will then be up to the industry itself to handle problems such as excessive marketing, new marketing methods, and consumer preferences.

With best personal wishes, we are,
Sincerely yours,

MIKE MANSFIELD,
U.S. Senator.
LEE METCALF,
U.S. Senator.

[From the CONGRESSIONAL RECORD, Feb. 20, 1964]

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962-63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is

not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. MCGOVERN], and the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of 12 months shall not exceed the average annual quantities of such products imported from such country during the 5-year period ending on December 31, 1963: Provided, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture."

The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., February 19, 1964.
Mr. BEN DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR Mr. CHAIRMAN: We are informed that on February 20, the U.S. Tariff Commission

will consider copper for possible inclusion on the President's list of articles for consideration in trade agreement negotiations. Because copper is the leading mineral in the State of Montana's active mining industry, we wish to take this means of opposing any reduction on rates of duty on copper imports. We can find no justification for lowering the present duty on foreign copper; in fact, the original 4-cent tax should be restored, based upon the statistical position of the industry.

The domestic copper mining industry is at present at a disadvantage because of excessive production of high grade ores in Africa and South America. Should the tariff be lowered and the demand for domestic copper fall off, the domestic mines would be in severe economic difficulties. In addition, our foreign suppliers often enjoy cheaper water transportation and certain tax advantages.

We wish to remind the Commission that copper tariffs are not and never have been for the purpose of keeping out or penalizing foreign metal, but principally are to provide a balance of relative costs of those who supply world markets. Under present conditions, the excise of 1.7 cents per pound is too low to provide the necessary protection; therefore, we endorse the industry's request that the tariff be restored to 4 cents per pound. This would then put domestic mines on a competitive basis with foreign mines.

In reviewing the tariff on copper, we ask that prime consideration be given to national security demands. We also urge that no recommendations be made which will be adverse to a healthy domestic copper mining industry operating under a reasonably balanced situation.

Thank you for your consideration, and we ask that this letter be made a part of the printed proceedings of this hearing.

With best personal wishes, we are,

Sincerely yours,

MIKE MANSFIELD.
LEE METCALF.

[From the CONGRESSIONAL RECORD, Feb. 25, 1964]

(Correction of the CONGRESSIONAL RECORD of February 20, 1964, regarding beef imports.)

BEEF IMPORT AGREEMENT—CORRECTION OF THE RECORD

Mr. MANSFIELD. Mr. President, on February 20, 1964, I addressed the Senate on the new beef import agreement and the general subject of beef imports. At the conclusion of my remarks I had intended to insert a copy of a letter my colleague [Mr. METCALF] and I addressed to the U.S. Tariff Commission on the cattle and beef import situation. Inadvertently the attachment was a letter to the U.S. Tariff Commission, but on the subject of copper imports.

Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD my statement "Beef Import Agreement" and the correct attachments.

There being no objection, the statement and attachments were ordered to be printed in the RECORD, as follows:

"BEEF IMPORT AGREEMENT"

"Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

"In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962-63 average, allowing for consumption growth.

"Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

"The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the average imports had been computed over the past 5 years, instead of the last 2 years.

"In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

"Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. MCGOVERN], and the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

"Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

"The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

"The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: Provided, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture."

"The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,
Washington, D.C., February 17, 1964.
Mr. BEN D. DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR Mr. CHAIRMAN: In response to a resolution adopted by the Senate Finance

Committee, the U.S. Tariff Commission will soon begin an investigation of the impact of foreign cattle and beef imports on the domestic market. This is a matter of considerable importance to the State of Montana as one of the leading producers in the livestock industry.

"The problems now plaguing the ranchers are many and complex. Each day our mail brings new and more desperate appeals for aid in stopping the present decline in cattle prices. There is an immediate need to stabilize the cattle and beef market or we fear we will be faced with a situation of momentous proportions.

"This is a many sided problem, but one of the major causes is the increasing share of the domestic market that is being taken over by the importers. The trend over the past several years has been in this direction until we now find that imported beef equals more than 11 percent of U.S. production. What has been a threat has now been compounded into an unfair and difficult situation.

"As the members of the Commission know, the United States is the only major beef market without quantitative restrictions and very low duties. Also, we take 51 percent of the world trade in beef. On the basis of these facts, we wish to support the industry in its request for an establishment of a quota system or tariff protection based on domestic consumption and production.

"The executive branch of our Government has the authority to provide relief to the cattle industry. The need is amply demonstrated. The Nation's Government must take the initiative to prevent a very serious economic depression in one of our basic industries. The Tariff Commission can recommend the necessary relief to the President. If the Federal Government does its part, it will then be up to the industry itself to handle problems such as excessive marketing, new marketing methods, and consumer preferences.

"With best personal wishes, we are,

"Sincerely yours,

"MIKE MANSFIELD,
"U.S. Senator.

"LEE METCALF,
"U.S. Senator."

[From the CONGRESSIONAL RECORD, Mar. 5, 1964]

Mr. MANSFIELD. There has been no dearth of debate on the Hruska beef amendment. I feel that, while I disagree with the amendment and shall oppose it as vigorously as I can, the distinguished senior Senator from Nebraska has performed a service in publicizing the fight faced by the cattlemen and the situation which confronts them at the present time.

I point out that of all the segments of our agricultural economy, the most independent, the most rugged, and the most individualistic has been the cattlemen. They have stayed away from the Government as much as they possibly could. They have conducted themselves with great integrity and discretion. They have, in effect, over the years, pulled themselves up by their own bootstraps.

The cattle industry, however, is facing a serious situation today; and I believe I can speak as authoritatively on this subject as any other Senator, because I come from a State whose primary industry is agriculture, and in which the cattle industry plays a most significant part.

Therefore, I would say that politically my position may not do me much in the way of good, but I dare say in the long run it may well react to my benefit.

With me, this is not a political issue. What I am seeking for the cattle industry is a solution of the difficulties which confront it. My distinguished colleague the junior Senator from Montana [Mr. METCALF]

and I have been working at this task assiduously for more than a year. We have been aware of the problem from personal observation, from talks with cattlemen, visiting cattle ranches and processing plants, and meeting with the representatives of the Montana Cattlemen's Association and the National Cattlemen's Association. Our views have been expressed jointly to the Tariff Commission, although neither of us believes that a tariff or a rise in tariffs is the answer to the problems which confront this most important industry.

We both believe that the answer lies in quotas based on an average extending over the past 5 years. We both believe, so far as the American market is concerned, that it should be primarily for the American cattle and cattle processing industry to operate in.

Because of my personal interest in this matter, on February 10 I introduced a bill, S. 2525, which has something on the order of 20 to 25 sponsors. The bill, introduced initially by my distinguished colleague [Mr. METCALF], sought to put the matter into a legislative form so that it would, under proper procedures, be considered by the appropriate Senate committee; and in the hearings to be conducted all segments of the cattle industry, the producer, the processor and all the others, would be given the opportunity to air their views.

After this would come a consensus which would seek to bring about a solution to the difficulties in which the cattlemen find themselves at the present time.

I personally visited with the distinguished Chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], and he told me, and has told me since, that his committee is prepared to hold hearings on the bill introduced by the Senators from Montana and others.

I believe this is the proper way to operate in this field. I believe it would be a mistake to confuse beef imports with questions covering wheat and cotton, and the Lord knows what else, before we get through. So I would hope that, with these remarks as a foundation, Senators who may be just as much affected by this problem as I am would consider all of its implications, and recognize that a promise has been made that hearings will be held. That promise has been made by one of the most distinguished Members of this body, the Senator from Virginia [Mr. BYRD]. To me, his word is gospel.

I invite the attention of Senators to some communications which I have received. This is one dated February 29, from Mr. E. W. McMillan, executive vice president of the American National Cattlemen's Association.

"DEAR MR. MANSFIELD: The cattlemen are certainly most appreciative of your efforts to bring about a reasonable and permanent solution to the economic impact excessive imports are having on the price structure of our product. Your bill, S. 2525, along with some of our suggested amendments, will certainly correct this obvious inequity.

"We were most pleased during our trip to Washington last week to have an opportunity to visit with you about this proposal. I am confident that speedy attention to this proposal will be in the best interest of our total economy.

"Once again, we do appreciate your cooperation and assistance and urge that you continue to use your influence in bringing about any early enactment of your legislative proposal, S. 2525.

"Cordially,

"C. W. McMILLAN."

Copies were sent to the president of the Montana Cattlemen's Association and to the secretary of the Montana Cattlemen's Association.

I mentioned the fact that we should not confuse this situation with wheat and cotton, which are the primary products before

us, and are the basis for the proposed legislation reported by the Committee on Agriculture and Forestry.

I hold in my hand a telegram from Harold Tremain, the State director of the Nebraska Wheat Growers. I do not know Mr. Tremain but this telegram came in a day or so ago.

"This afternoon we understood the Senate will vote on the wheat and cotton bill which included at this moment the beef amendment submitted by Senator HRUSKA. We feel that the beef problem should be considered separate and not a part of the wheat and cotton bill and that we would recommend support of the Mansfield bill on beef.

"HAROLD TREMAIN,

"State Director, Nebraska Wheat Growers."

Today, I received a letter from a couple of constituents of mine in Billings, Mont., which I should like to read.

"DEAR SENATOR MANSFIELD: We note with great relief, the action being instituted to control the beef import situation. The last 2 years have been disastrous to the feeding operations in this State. Many have gone under, as you must know. We speak from very sad experience, and the galling part is to be reading of the thousands of pounds of beef being imported every week, then turn to the classified section to look for a job. The commercial feeding operation with which we were associated had to close down due to the fantastically low fat cattle prices.

"It would seem, however, that the beef import problem is of great enough importance to entitle it to consideration on its own merits. We fail to see why it is necessary to attach ourselves to the wheat and cotton problem. All we ask is a chance to do business under ordinary circumstances of good healthy competition—from our neighbors, fellow stockmen, and fellow taxpayers. The urban population of the United States must be made to realize that the men who raise their beef are a major industry in their own right.

"The cattlemen and sheepmen are a group unto themselves and as such are entitled to legislation of their own.

"May I say here that we are not complaining about the work that is being done by those in Washington who are interested in our problem. Only that more emphasis should be placed on the fact that the livestock industry in the United States faces very black days unless we can be recognized as an independent industry.

"Rather than leave it up to the foreign countries as to how much they are willing to cut down on their exports to this country, can't the United States determine how much is imported, after the American beef raiser is given his due consideration.

"Thank you very much for all of your support to the stockgrowers. We realize that our knowledge of all of the ramifications of foreign policy, and so forth, is very slight. Our interest is in our own problem. The livestock business is our life. We can't let it die without a fight.

"Respectfully,

"_____."

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 additional minutes.

Mr. MANSFIELD. I urge my colleagues in the Senate, as earnestly as I can, to give consideration to the bill already introduced, which has in excess of 20 cosponsors, and that they take the word of the distinguished chairman of the Finance Committee, the senior Senator from Virginia [Mr. BYRD], that hearings will be held, that this matter will be attended to in the proper procedural way, that it will be considered independently,

and that it should not be tied to wheat and cotton or other kind of agricultural legislation.

That is all I have to say at this time.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERTSON. I remind the Senator that I served for 10 years on the House Ways and Means Committee. The House Ways and Means Committee is very jealous of its constitutional right to initiate tax and tariff legislation.

In the 31 years that I have served in Congress, I have never known it to accept a tariff bill that had originated on the Senate side.

I favor relief for our cattlemen, but the pending amendment is not the correct approach.

If we add the amendment to the bill, it will go to the Ways and Means Committee, and that is the last we shall ever see of it.

Mr. MANSFIELD. That is true. However, I must say that we should express our debt to the Senator from Nebraska [Mr. Hruska] for giving this issue the publicity which it has been given, because this is a vital matter to an important segment of our economy.

Insofar as hearings are concerned, they have been promised in the Committee on Finance and will be held. This matter will be considered independently, and everyone concerned will have an opportunity to express his opinion in a proper way.

U.S. TARIFF COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, D.C., March 9, 1964.

Hon. MIKE MANSFIELD,
U.S. Senate.

DEAR SENATOR MANSFIELD: Receipt is acknowledged of the letter from you and Senator METCALF dated February 17, 1964, in which you state that you support the domestic producers of beef and beef products in their request for the establishment of a quota system or tariff protection based on domestic production and consumption.

Pursuant to a resolution of the Senate Committee on Finance, the Tariff Commission has instituted an investigation of the conditions of competition between domestic and imported beef and beef products and is to make a report to the Senate Committee on Finance not later than June 30, 1964. A copy of the public notice of this investigation is enclosed for your information. The Commission's report will contain as complete an analysis of the competitive conditions in the beef trade as possible. The views expressed in your letter will be given due consideration in conjunction with our investigation.

The Commission's report to the Senate Committee on Finance will not contain recommendations as it is not the role of the Commission to participate in the establishment of international trade policy.

The imposition of higher rates of duty or quotas on imports of beef and beef products cannot be made except by legislation or pursuant to constituted authority. At the present time the United States is committed under the General Agreement on Tariffs and Trade not to impose or increase duties on imports into the United States except under certain prescribed circumstances which do not seem to apply to imports of beef and beef products. It would appear, therefore, in the absence of an appropriate modification of our international commitments with respect to import quotas and duties, that the imposition by the United States of import quotas or increased duties on beef and beef products would violate our international obligations.

There is enclosed a copy of a press release from the Department of Agriculture dated February 17, 1964, which indicates that Australia and New Zealand (the principal for-

elign suppliers of beef and beef products) have agreed to limit meat exports to the United States.

Sincerely yours,

BEN DORFMAN,
Chairman.

[From the CONGRESSIONAL RECORD, Mar. 9, 1964]

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS—AMENDMENT TO RESTRICT IMPORTS OF BEEF, VEAL, MUTTON, AND LAMB (AMENDMENT No. 465)

Mr. MANSFIELD. Mr. President, on behalf of my distinguished colleague, the junior Senator from Montana [Mr. METCALF] and myself, I submit an amendment to restrict imports of beef, veal, mutton, and lamb into the United States. The amendment is intended to be proposed to the House-passed tariff bill, H.R. 1839, now pending before the Senate Committee on Finance.

The amendment I submit is identical in context with the Senate bill S. 2525, which I introduced on February 20, for myself, Mr. METCALF, Mr. BIBLE, Mr. BURDICK, Mr. CANON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. JORDAN of Idaho, Mr. LONG of Missouri, Mr. MCGOVERN, Mr. MECHEM, Mr. MILLER, Mr. MONRONEY, Mr. RANDOLPH, Mr. SIMPSON, Mr. YARBOROUGH, Mr. MCGEE, Mr. MAGNUSON, and Mr. YOUNG of North Dakota.

It is similar to the amendment proposed last week to the wheat-cotton bill, H.R. 6196. 6196.

The chairman of the Senate Committee on Finance, the Senator from Virginia [Mr. BYRD], has announced that his committee will hold hearings on my amendment on Wednesday, March 11. I ask unanimous consent to have printed in the RECORD a copy of the announcement by Chairman BYRD, giving pertinent information regarding the hearings; and I ask that the amendment be referred to the Finance Committee.

Mr. RUSSELL. Mr. President, a point of order.

The ACTING PRESIDENT pro tempore. The Senator from Georgia will state it.

Mr. RUSSELL. I make the point of order that the submission of an amendment is not now in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendment may now be received.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection, the amendment will be received and appropriately referred; and, without objection, the announcement will be printed in the RECORD.

The amendment (No. 465) was referred to the Committee on Finance.

The announcement presented by Mr. MANSFIELD is as follows:

"STATEMENT OF SENATOR BYRD, OF VIRGINIA, CHAIRMAN OF THE SENATE COMMITTEE ON FINANCE, IN ANNOUNCING HEARINGS ON AMENDMENT NO. 465 BY SENATOR MANSFIELD TO RESTRICT IMPORTS OF BEEF, VEAL, AND MUTTON INTO THE UNITED STATES

"The distinguished majority leader, Senator MIKE MANSFIELD, is today introducing an amendment, No. 465, to restrict imports of beef, veal, mutton, and lamb into the United States, which he intends to propose to a House-passed import bill, H.R. 1839; now pending before the Senate Committee on Finance.

"The Mansfield amendment is identical in context with the bill, S. 2525, which he introduced on February 26 for himself and 24 other Senators. It is also similar to an amendment proposed last week to the wheat-cotton bill, H.R. 6196.

"At the request of the majority leader, I have scheduled hearings by the Senate Com-

mittee on Finance on Senator MANSFIELD's amendment beginning Wednesday, March 11, 1964, at 10 a.m., in room 2221 New Senate Office Building.

"May I respectfully request that all who wish to testify on the Mansfield amendment communicate immediately with the Senate Finance Committee clerk so that arrangements for appearance can be made. The deadline for acceptance of requests to testify will be Friday noon of this week, March 13, 1964."

STATEMENT OF SENATOR MIKE MANSFIELD, DEMOCRAT, OF MONTANA, BEFORE THE SENATE COMMITTEE ON FINANCE, MARCH 11, 1964
IMPORT QUOTAS ON BEEF, VEAL, MUTTON, AND LAMB

Mr. Chairman, it is a privilege to come before the Senate Finance Committee this morning to discuss an issue of great importance to the economic stability of one of the Nation's most vital industries, cattle and sheep. Before discussing the issue in greater detail, I wish to compliment the distinguished chairman for the speed with which he has recognized the seriousness of the problem at hand and the prompt scheduling of public hearings.

On February 20, I introduced S. 2525 on behalf of myself and of my colleagues here in the Senate. The purpose of this legislation was to establish a restriction on imports of beef, veal, and mutton into the United States based on an annual average of these items imported into this country during the 5-year period ending on December 31, 1963. I have reintroduced this proposal as an amendment to H.R. 1839, a tariff proposal passed by the House of Representatives and now before your committee. My amendment has been rewritten to include lamb as one of the meat items to be protected. There is every indication that the lamb industry is deserving of the same treatment as beef, veal, and mutton.

Until recent years, the livestock industry has been blessed with a somewhat healthy economic situation with little interference from outside interests. However, in the past year, and particularly in the last 6 months, beef prices have been dropping. Interestingly, during this same period, imports of beef, veal, mutton, and lamb have reached alltime highs. There is a very definite relationship between the price and increased imports.

Recognizing that the continuance of such a trend might be quite harmful to the domestic livestock industry, some of us began exploring possibilities of some administrative relief through negotiation or implementation of the Tariff Act. These efforts were not successful in any substantial degree. The voluntary agreement with Australia, New Zealand, and Ireland did little to relieve the situation. This agreement merely guarantees the importers a future market at levels higher than at any time in history.

In view of the continuing decline in prices, I felt that it was time that Congress intervened. I am not suggesting that we establish a program of supports and controls for the livestock industry. But I do believe that if we can establish a limitation on imports of beef, veal, mutton, and lamb, the industry will then be able to plan knowing what to expect in the way of foreign imports. To be perfectly frank, if this can be done, the domestic producers will then be responsible for regulating themselves in areas of total production, marketing practices, and consumer sales and preferences.

After consultation with interested parties, it appeared to me that a quota based on the average of the last 5 years, 1959-63, would be most reasonable. This period reflects current trends in imports without giving special consideration to the highest years on record. If the formula in S. 2525 and my

amendment were adopted, it would mean that in 1964, foreign suppliers would be able to export to the United States 867,400,000 pounds of beef, veal, mutton, and lamb. This would give the importers about 6.9 percent of the domestic market, according to Department of Agriculture statistics. This would be a 33-percent reduction in imports under 1963.

In that year, total imports of beef, veal, mutton, and lamb reached 1,204,800,000 pounds. What is even more alarming is that if there are no controls, the imports could easily reach 1,322,900,000 pounds in 1964. The voluntary agreement recently announced will reduce imports this year by about 70 million pounds as opposed to a reduction of 337 million pounds if the 5-year average was adopted.

The provisions of my amendment make allowances for the importers to have their corresponding share of our increase in domestic consumption. The amendment as written excluded canned, cured, and cooked meat, and live animals. However, many representatives of the industry feel that there should be comparable quotas in this area. The committee, I'm sure, will check into this situation.

Mr. Chairman, I recognize that the United States will soon be entering into delicate negotiations in conjunction with the implementation of GATT. We do not intend to upset the apple cart, but we must also protect the interests of our own, especially those in economic difficulty. I believe that every major importer of beef has some form of protective device for its domestic industry. I think that it is reasonable to ask the same for our livestock industry.

Mr. Chairman, I sincerely hope that after reasonable deliberation, that the Senate Committee on Finance will adopt this amendment in reporting H.R. 1839. My colleague, the able junior Senator from Montana, LEE METCALF, who is with me today, and I suggest that the Federal Government assume its role of providing reasonable protection for one of its basic industries in a very competitive and complex situation.

[From the CONGRESSIONAL RECORD, Mar. 30, 1964]

DECLINE IN CATTLE AND BEEF PRICES PERSISTS

Mr. MANSFIELD. Mr. President, in the West and Middle West, the one dominant issue continues to be the persistent and continuing decline in the price of beef, veal, lamb, and mutton. Little has been done which can give the ranchers of this country any real hope that there will be a turn for the better. It is for this reason that we are continuing our efforts to bring about a realistic import quota system. This is now being very carefully reviewed by the Senate Finance Committee. After hearings, which are continuing, this week, thanks to the distinguished chairman, the Senator from Virginia [Mr. BYRD] I am hopeful that a realistic program of relief will be recommended in the very near future.

In recent months, there has been a concentration on the cattle and beef import problem. However, I am sure that the vast majority of the livestock industry and other associated interests recognize that this is not the only cause of the present drop in prices. The prices of cattle and beef have dropped some 20 percent, but there has been no such drop in the price of beef, veal, or lamb in the grocery stores and meat markets. The consumer is somewhat puzzled by the talk of depressed market prices when he sees no change at the local markets.

The domestic livestock industry faces some real problems in the area of increased production of prime beef and the need to expand consumption in a competitive business. I am extremely pleased that the Senate Committee on Commerce has taken the

initiative under the able leadership of the subcommittee chairman, the Senator from Wyoming [Mr. MCGEE], to check into other aspects of this overall problem. The investigation of the effect of chainstore meat buying, marketing practices, and vertical integration on depressed livestock markets is an essential element in the overall effort to aid the industry. There are some real problems in this area, and I hope that the committee will be able to expedite the investigation.

The senior Senator from Wyoming represents one of the major livestock producing States and is quite familiar with the ups and downs of the industry.

On March 19, NBC commentator, Chet Huntley, gave a very brief and concise analysis of the overall situation. Chet Huntley is not only one of the Nation's most talented commentators, but he can also speak with some authority on the cattle situation, having been born and raised in western Montana. Mr. President, I ask unanimous consent to have the text of this newscast printed in the RECORD.

There being no objection, the newscast was ordered to be printed in the RECORD, as follows:

"Out in the Midwest and West, where thousands of farmers, big and small, traditionally produce and/or feed cattle, there is growing resentment about the importation of Australian beef. Notice has been served on the Johnson administration that if something is not done about the beef imports the cost in terms of votes out in the livestock country is going to be high. Senator HRUSKA, of Nebraska, tried to attach an amendment to the farm bill the other day to limit the imports of Australian beef and it was defeated by an eyelash. There are other attempts now being made to reduce the mountains of beef now moving into the country, principally from Australia, but also some from New Zealand, Ireland, and Japan.

"It has been said that it costs an Australian rancher about 20 cents to produce a calf. The price in this country may run anywhere from \$20 to \$50. The beef moving into the United States from down under is, therefore, ridiculously cheap, undercutting the American market by a tremendous margin.

"It is not good beef, as we judge good beef in this country. It is range fed, which means that the meat tissue is inclined to be very lean, stringy, and tough. Therefore, the only way in which this imported beef can be used is in the preparation of various sausages and cold cuts and in hamburger. It is in the preparation of hamburger that the trouble starts. It is a unique commodity. It is, for example, the 'bread and butter' of the American beef industry. More beef is consumed in the form of hamburger than in any other form. However, hamburger can be deceptive. It can be—and frequently it is—junk, a conglomeration of ground-up scraps. Australian beef is being ground, fat and other scraps added, and it is being sold by the ton.

"The livestock industry is convinced that the quantities of Australian beef going into hamburger are depressing the price of beef and bringing ruin to the pastures and feedlots. It is logical to assume that they are not completely in error.

"However, any move to limit the amount of Australian beef coming into the country is fought by importer groups, the chainstores, and the longshoremen's unions.

"Senator GORE has been asking some questions about all of this and the livestock industry has been waiting for him to put some of the giant food-chain executives under oath and ask them how much Australian beef they are putting into their hamburger.

"It is an interesting and significant argument. It invites oversimplification. But what the Nation and the Government need

to know are the following: Are Australian imports depressing beef prices, or it is a matter of overpopulation of beef animals in this country; is the supply of heavy beef depressing the market; or are beef prices falling under the control of a few giant buyers?"

STATEMENT OF SENATOR MIKE MANSFIELD, DEMOCRAT OF MONTANA, APRIL 7, 1964

(Following is the gist of a press release after the leadership breakfast at the White House)

I was happy to receive the news that Australia this year will reduce its imports of beef, mutton, veal, and lamb by 170 million pounds or 29 percent of 1963 and New Zealand 50 million pounds of the same or 22 percent under its 1964 imports. This comes to a total of 220 million pounds less in 1964 than in 1963 or a 27 percent reduction.

I am glad to note also that the Secretary of Defense has placed orders for 36 million pounds of beef for our overseas bases, plus 18 million pounds of beef to be put in cold storage. Furthermore, the Agriculture Department has been authorized to spend \$20 million for the purchase of beef for school lunch programs and other projects.

This is a step in the right direction but is not by any means the complete answer. I am delighted to note that the McGee investigation of chainstore practices is looking into the situation wherein the cattlemen get low prices and the consumer receives none of the benefit. This factor must be inquired into thoroughly to see what its effect is on the low prices for cattle.

May I say that my interest is in the stock growers who raise cattle for a living, not in the "sideline ranchers," the oil men, doctors, and those of other professions who invest in cattle ranches as subsidiaries to their main means of livelihood.

STATEMENT OF SENATOR MIKE MANSFIELD, DEMOCRAT, OF MONTANA, APRIL 14, 1964

(Following is the gist of a press release after the leadership breakfast at the White House)

The President informed me today that Secretary McNamara is purchasing an additional 14 million pounds of beef for use at overseas bases.

As of this date, the picture is as follows:

DEPARTMENT OF DEFENSE

- (1) Has already purchased 36 million pounds of beef for use at overseas bases.
- (2) Has already purchased 18 million pounds of beef to be put in cold storage.
- (3) Has just announced the purchase of an additional 14 million pounds of beef for use at overseas bases.

This makes a total of 68 million pounds of beef purchased by the Defense Department.

DEPARTMENT OF AGRICULTURE

- (1) Has purchased \$20 million worth of beef for school luncheon programs and other projects.
- (2) In addition, Australia and New Zealand have agreed to reduce imports by 220 million pounds less in 1964 than in 1963, or a 27 percent reduction in 1964 imports under 1963.

[From the CONGRESSIONAL RECORD, May 1, 1964]

CATTLE AND BEEF IMPORTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement presented by me before the U.S. Tariff Commission on the subject of cattle and beef imports; also a statement presented by Robert Barthelme, president of the Montana Stock Growers Association, before the Senate Committee on Finance on March 17, 1964; also a letter from Dr. R. W. Gustafson, president of the

Montana Veterinary Medical Association, dated April 22, 1964, addressed to the Trades and Tariff Commission, Washington, D.C., and statements presented to the U.S. Tariff Commission by Senator William R. Mackay, of Carbon County, and Carl W. Beil, of Glasgow, in behalf of the Montana Chamber of Commerce.

There being no objection, the statements and letter were ordered to be printed in the RECORD, as follows:

"STATEMENT OF SENATOR MIKE MANSFIELD, DEMOCRAT, ON MONTANA, BEFORE U.S. TARIFF COMMISSION, MAY 1, 1964

"Cattle and beef imports

"Mr. Chairman, we all know that the livestock industry is confronted with a very difficult economic situation. The price of cattle, beef, veal, mutton, and lamb at the marketplace has been down for some time and despite optimistic predictions there has been no relief. It is a most serious matter and the livestock industry cannot continue to hold up under these depressed conditions. Unfortunately, it is the small operator who is being hit first and the hardest.

"There are a number of theories and proposals on how best to help the industry. The time for action is now and the Tariff Commission can be of great service by making a very thorough and expeditious study of the situation and then make its recommendations known to the Congress and the President. Based on information currently available I can see no other result than a recommendation in behalf of some immediate protection for the cattle industry.

"I believe that the administration, the Congress, and all concerned are trying their best to aid the domestic industry. The administration has entered into voluntary agreements with the major exporters of beef to the United States. Both the Department of Defense and the Department of Agriculture have announced purchase programs which will remove millions of pounds of beef from the market. The administration announced on April 7 that Australia had voluntarily agreed to reduce its imports by 170 million pounds or 29 percent of 1963, and New Zealand 50 million pounds or 22 percent under its 1963 imports. This comes to a total of 220 million pounds less in 1964 than in 1963, or a 27-percent reduction.

"Under the bill I introduced seeking to establish a quota over a 5-year average, which I discussed with officials of the national and Montana cattlemen's groups and met with their approval, the total amount of imported beef by Australia and New Zealand would have amounted to 337 million pounds, or a 33-percent reduction. While the goal I tried for was not achieved, nevertheless, I think substantial progress has been made in the reduction of imports of beef by Australia and New Zealand by 27 percent for 1964 and it is my intention to pursue this so that further reductions are made.

"The Secretary of Defense has also placed orders for 36 million pounds of beef for our overseas bases, plus 18 million pounds of beef to be put in cold storage. Furthermore, the Department of Agriculture is spending \$20 million for the purchase of beef for school lunch programs and other projects.

"In addition to this, Senator GALE McGEE, of Wyoming is investigating chainstore practices to find out the reasons for the situation prevailing wherein the cattlemen get lower prices and the consumer receives none of the benefits. Prices paid to producers—since 1947—dropped 13.8 percent and prices paid by consumers rose 26 percent (USDA). Chains can manipulate prices they charge by operating their own feedlots for fattening their cattle. By drawing on their own feedlots until their withdrawal from the market has depressed prices, they can then resume purchasing while

prices are down. The power to depress prices to producers and inflate prices to consumers was inherent in the arrangement 44 years ago when the courts required the major meatpackers to get out of the retail business. If it is against the public interest for processors to retail meat, why is it not the same for retailers to process meat?

"On April 14, the President notified me that Secretary McNamara had ordered an additional 14 million pounds of beef for use at overseas bases. As of this date, the picture was as follows: The Defense Department, for overseas use, had purchased 50 million pounds of beef plus 18 million pounds to be put in storage; the Department of Agriculture had purchased \$20 million worth of beef for school lunch programs and other projects; and Australia and New Zealand had agreed to reduce their imports about a total of 220 million pounds less in 1964 than in 1963 or a 27-percent reduction in 1964 imports under 1963. These are all steps in the right direction, but they are not enough and the cattleman wants, needs, and deserves something on a more permanent basis.

"The livestock industry wants import quotas. I have sponsored legislation in the form of an amendment to a House-passed bill which would impose such quotas based on an average of imports over the past 5 years. This approach is now being thoroughly reviewed by the Senate Finance Committee and hearings will be resumed as soon as the pending legislation is disposed of. It is my belief that the Finance Committee will report out favorable legislation and then, if my reasoning is right, it will go—not to the House—but to a conference committee for consideration and then if agreement is reached go to both Houses for final consideration. Import quotas would provide long-term protection, a plan under which the industry could plan and develop its own marketing procedures. The voluntary agreements are not restrictive enough and the purchase programs are short term in nature. I believe the imposition of reasonable import quotas is the most realistic and valuable. May I say, incidentally, that the national association on its own initiative did send a delegation to Australia some months ago to try to work out a voluntary agreement but was unsuccessful. What I am saying, in effect, is that before coming to the Congress for assistance, the cattlemen themselves, in line with their longstanding traditions, tried to do something on their own.

"In supporting the import quota proposal, I am well aware that this is not the only problem and solution to the domestic industry. There are other issues such as changes in marketing practices and vertical integration of the industry. These are all very important, but relief is needed now and it appears to me that the quickest way of providing long-term protection is through the import quota system.

"During recent months there has been a great deal of talk about the Kennedy round of GATT negotiations and the sensitivity over any action that might be harmful to our position. I certainly do not want to recommend anything that might place the United States in a difficult position. However, I am certain that our friends and allies are conscious of their own domestic needs, as we should be, and have taken steps to provide reasonable protection where necessary. I believe that the United States has fewer trade barriers to foreign imports of cattle and beef than any other nation. I do not believe that an import quota based on a high 5-year average is unreasonable.

"The United States has become the largest importer of beef and veal in the world.

"The United States offers higher prices, lower tariffs, and fewer restrictions than

any of the major meat importing nations. These factors are being taken advantage of by those who export meats.

"I would most respectfully suggest that some method be considered, preferably that of the National American Cattlemen's Association and the Montana Stockgrowers' Association, which would allow importers to bring in approximately 6 percent rather than in excess of 11 percent of the total, as was the case last year, and to do this, a ratio based on the years 1959 to 1963 be adopted.

I would most respectfully bring to the attention of the Commission that the only protection offered the livestock producers in the country is a flat 3 cents per pound tariff. And, that, you may recall, was reduced from 6 cents per pound in 1948.

"The two heaviest exporters of beef to the United States are Australia and New Zealand. I am informed that Australia prohibits imports of cattle and beef, and imports of hogs and hog products from the United States under a health restriction. I would urge that in view of the letter from Dr. R. W. Gustafson of Conrad and statements made to me by Senator John Meicher of Rosalia County, that this matter of health restrictions, and health inspection be looked into from this end as far as the imports of meat are concerned.

"It is interesting to note that the Australian Government Tariff Board has the authority to impose emergency tariffs or other types of import controls whenever it is deemed necessary to protect domestic producers against competition from imports.

"I would suggest that its parallel organization, the U.S. Tariff Commission consider this also.

"It is my further understanding that New Zealand, the largest exporter of lamb, and, next to Australia, the largest exporter of beef and veal to the United States, prohibits imports of most meats and packinghouse products.

"Other countries have restrictions differing in degree, and I would hope that the Commission would bear all these factors in mind in its recommendations to the Finance Committee, which that committee has requested it receive by June 30, and also, in its recommendations to the White House, which is also vitally interested in this matter.

"On Monday, I talked with the Department of Agriculture and the predictions for the cattle market are not good. On Friday of last week, the price for choice steers at Chicago was between \$20.50 and \$22, as low as it has been since 1957. The feedlot situation has not improved. The number of animals weighing 1,100 pounds is considerably above last year. As of April 1 there was approximately 16 percent more of this class of animal in the feedlots than at the same time a year ago. This means that there will be a considerable impact on the market. I know of no one who can predict that there will be a substantial improvement in the market price until early fall, if then.

"Admittedly, it now appears that the import situation will not be as bad this year. The most recent information from the Department of Agriculture indicates that imports from Australia and New Zealand are down and are likely to remain down during the year. These exporters are finding other attractive competitive markets. We have no guarantee that this will continue, however. In view of the domestic market situation, we cannot afford to have imports at these high levels. The combination of imports with heavy domestic production can be disastrous.

"Again, I wish to stress the need for early action, and the U.S. Tariff Commission can do a great service for the economy of the Nation by making expeditious recommendations in behalf of relief for the livestock industry.

"Mr. Chairman, I ask that several items be incorporated at the conclusion of my remarks: a statement prepared by Robert Barthelmess, president, Montana Stock Growers Association, which states most concisely and explicitly the situation as it exists in the State of Montana and is, in my opinion, an extremely sound exposition on the situation which confronts Montana and the Nation's cattlemen. Bob Barthelmess is a man who depends for his livelihood on his cattle spread and he represents the feelings of the Montana Stock Growers Association with clarity, with a deep understanding, and with a thorough knowledge of the situation. May I say in this respect that my interest is in the stock-growers who raise cattle for a living, not in the "sideline ranchers," the oilmen, doctors, and others who invest in cattle ranches as sidelines to their main means of livelihood. I also ask that the letter from Dr. R. W. Gustafson, president, Montana AVMA, to which I previously referred be incorporated at the conclusion of my remarks."

"[From the Montana Stockgrower, April 1964]

"YOUR PRESIDENT TESTIFIES ON IMPORTS

"(Statement presented to U.S. Senate Finance Committee March 17, 1964, by Robert Barthelmess, MSGA president.)

"My name is Bob Barthelmess. I am president of Montana's 5,000-member stockgrowers association. It is comprised mostly of small ranchers and is affiliated with the American National Cattlemen's Association. It is an organization of cowmen who believe in their ability to think clearly and work freely in honoring their obligations to society and country.

"This is the fourth time in 5 months that I have carried their cudgel to Washington on the matter of multiquality beef imports. It is in absolute sincerity that I speak for them for it is under conditions of utmost urgency that they be heard. Their business is in a serious state of affairs, their actual living is being jeopardized, and their future destined adversely by this uncontrolled reason. To allow an industry of prideful history, ambitious responsibility, and faithful patriotism to fail due to encouraged, promoted, and limitless imports is an injustice of major importance.

"I am one of six children born to parents who homesteaded near Powder River in southeastern Montana. It was through the grace of a cow that we were raised there. My elementary education was acquired in a one-room rural school. I attended high school but graduated from no college. I operate a ranch that runs 300 cows, am married to a ranch-raised girl, and we have four children. We do our own work, operate our within our means, and depend on our neighbors when I am away. We are proud of our way of life, grateful to those who made it, and have a desperate and hopeful will to retain it.

"It should not have been necessary for me to come here for the cause should not be. My place is home, being the head of our household, providing for my family. I am here however, here for them, here for our industry, and here for all people whose living depends upon us. I am here for a cause that is proper, just as our freedom is proper, just as our Bill of Rights is proper, and just as our Constitution is proper. I am here to help plead the case of a basic and necessary industry and its rightful status in our free enterprise system. I beg of you to judge our cause on its worth, its worth to those in it, its worth to our economy, but most of all its worth to the United States of America.

"Last year, 1963, we imported into this country more beef and veal in live equivalent (3,500,000 head) than all the cattle on all the farms, in all the feedlots, and on

all the ranches of my State. These imports, as cattle would have used more feed and more grass than consumed within the boundaries of Montana, and would have serviced the beef-consuming needs of our entire Nation for one-twelfth of a year, a complete month.

"Consider, if you will, that this volume of imports—and it is capable—could completely replace Montana's livestock production. This could mean that our industry's labor force would be unemployed, its machinery and equipment would not be purchased nor used, its insurance and taxes would not be paid, its contribution to our education would fail, its feed requirements would not be raised, and its overall quality and worth to our communities would be rendered useless. The amount of imports, in other words, unloaded in the United States last year could conceivably and completely eliminate Montana from the Nation's livestock industry. This should show certainly and in a revealing sense the impact of the quantity of this product on our business nationally.

"Our market last year, largely due to cheaply produced, low-quality imports, dropped more than 27 percent. On an average this amounts to a loss of \$28 per head, including calves, heifers, steers, bulls, and cows. Montanans sold nearly a million head of cattle last year, so consequently received \$28 million less than the previous year. Compound this as to its effect on jobs, main street trade, taxes, schools, welfare, and living standards (let alone what it does to the rancher) and the result is devastating. Much of this meat is produced at a ratio of 250 to 1 on oversea land costs against domestic costs. It is produced at less than half the labor costs of ours and is dispatched under much less rigid conditions in processing plants over there than are our packers allowed to slaughter here in this country. Australia has cut per capita consumption 20 pounds to meet export abilities, and Argentina packers have asked their Government to declare 2 meatless days a week on their consumers to meet shipments to the United States. Foreign suppliers have more liberties than we do on our own market.

"The continued level of present imports thrusts a dark future on the sky over the American cattle industry. On February 17, the U.S. Department of State announced the signing of voluntary agreements with our two major suppliers. This agreement without sincere consideration for all concerned guaranteed the same high base which is so injurious to us now. It provided not only for continued access levels but stipulated increased use of our markets for the future. Montanans wonder at the word "voluntary." Who does it apply to? The livestock industry was refused in their willingness to furnish council for the negotiating team, and apparently its big trust, the Congress, was not extended a warranted view. We are becoming alarmed at the indifference some Government officials hold for our elected representatives in these halls of authority. Congress is the guardian of our people and Nation, if it is bypassed, our greatest arm of Government is not the function it was meant to be.

"With significant timing the Department of Agriculture announced its intention to purchase surplus beef to service school lunch and other needs. This is well and good, but to use the program to dull the edge of a 'will' by Congress to pass required and constitutional legislation is a blow far below the belt. Our market has been critically low for many months. Why, then was this gesture held until now? It seems unfair and ill-advised that the American taxpayer in such a deal would be required to tail up, it would seem, a foreign industry which is not down but enjoying great prosperity. In reality for our Government to buy beef to make room

for imports doesn't seem consistent or sound. It taxes one's intellect to find the reason for such a move without protection.

"Great Britain knows what it is to face a loss of food from destroyed import routes. They have been there and gone without. Today they are building a food producing island, protecting it against excessive imports and stabilizing their self-sufficiency. Here, on the other hand, we are on the verge of crippling our domestic meat plant, depending more on foreign supply lines and putting the Nation in such time of an emergency out on a meatless limb.

"Serious consideration has been given by our industry to an accelerated promotion program on meat consumption. Tremendous increases were sustained when in 1953 stockmen took the bull by the horns and with assistance began their self-help campaign to get beef as a food of quality before the public. Thanks to a Congress-passed checkoff bill, this selling idea was legally and solidly financed. Today the industry would like to again concentrate on this avenue of retrieve. It cannot, however, reconcile itself to spending \$1 out of every \$10 used to promote consumption of a foreign competitive product. Irrespective of which way you look the barrier looms large and formidable. Legislation provides the only consistent, substantial, and lasting remedy. Again, as it should be, we turn to Congress.

"This legislation on imports is a very graphic step in the democratic function of government. It provides the framework for remedial action which can give stockmen and their families the protection so vitally needed. It does not entail a draft on the taxpayer in undesirable and unwanted subsidy but gives the industry the freedom to operate in some measure of equality with foreign competition. Montanans are consistent with national cattlemen. They approve the 5-year base, they favor inclusion of beef, veal, lamb, and mutton (which includes cured and cooked), they sanction equal quarterly shipments, they need the effective date of December 31, 1964, and they feel the growth should be shared only after a parity price is reached domestically.

"Our deepest hope and most urgent want is that our Congress will turn tables on the agreements outside its consideration and approval. We cannot see how an act by a department can commit an industry, Congress, and the entire country to a guarantee when it is not in accord with satisfaction. We look to this body to assert and reclaim its jurisdiction over all the Nation on this matter, place itself in judgeship over its industries and trade, and protect the basis of enterprise which has put the whole country on top in progress, respect, and responsibility. The great historical statements of 'a government of, by, and for the people' has real and strong application here.

"I have stated Montana's case and its feelings as they are, in fairness I hope to all related to it. All we ask is a fair verdict to our industry, to its people, and to the Nation. In this instance I think our children, too, are entitled to strong and just consideration. You will disclose their destiny."

"CONRAD VETERINARY HOSPITAL,
"Conrad, Mont.

"TRADES AND TARIFF COMMISSION,
"Washington, D.C.

"MEMBERS: As president of the Montana Veterinary Medical Association, I would like to express my views on the importation of foreign meat and meat products.

"Being in daily contact with the cattle producers in the countries of Pondera, Toole, Teton, Glacier, and Liberty in Montana, I find that their economic status is considerably affected by the present prices they receive for their produce. This reflects on the entire economy of the region and I

do believe our own citizens should have some protection. I strongly urge your consideration in limiting imports of foreign beef into the United States so as not to jeopardize one of our biggest industries in this area. Furthermore, as a veterinarian, I wish to bring out the fact that all meat involved in interstate transportation is subjected to rigid inspection by the USDA. I strongly urge you to see that foreign meat is subjected to a similar inspection until its final disposition. This should include an inspection of all frozen meat coming in, by inspectors of our own Nation, to see that it is properly handled so as not to hurt its quality.

"I believe I speak for the majority of the veterinarians in our State organization in the foregoing statements and I again strongly urge you to consider protecting one of the most important industries in our State.

"Sincerely yours,

"R. W. GUSTAFSON,
"President, Montana AVMA."

"STATEMENT OF WILLIAM R. MAC KAY, SECOND VICE PRESIDENT OF THE MONTANA STOCKGROWERS ASSOCIATION, TO THE U.S. TARIFF COMMISSION, ON CONDITIONS OF COMPETITION BETWEEN DOMESTIC AND FOREIGN BEEF AS IT AFFECTS THE CATTLE INDUSTRY IN THE STATE OF MONTANA

"I appear before the Commission as vice president of the Montana Stockgrowers Association on behalf of the more than 5,000 cattle-producing members and of the cattle industry in our State. I own and operate a cattle ranch in south-central Montana running 400 head of cows and have served Carbon County as State senator since 1953 and as representative in 1951.

"The Commission has the responsibility of advising the Senate Finance Committee concerning the conditions of competition between domestic and imported beef and beef products. On behalf of the members of my organization and of the people of our State I ask the Commission to take into consideration the serious effect that past and present levels of imports have had on values and market prices and the serious implications on a major industry if they continue in the future.

"Montana has twice as many cows as people—so anything that affects the values of these cows and their ability to turn grass from the native ranges, which cover two-thirds of our State, into a merchantable product is important to all Montanans.

"Imports have grown in the last few years until in 1963 they amounted to enough beef to feed more than 20,570,000 people a year at the going per capita consumption rate—almost 30 times the population of our State. These excessive imports, at a time when our own production is high and our prices at a 7-year low, present a problem that has never existed before. Present prices of fed cattle are below the cost of production and if present conditions continue, prices of feeder cattle and eventually of breeding stock will drop below the cost of production.

"The fact that imports continue at high levels and even increase as our domestic prices decrease would indicate that your Commission's investigation will show clearly that the costs of production of those taking over a sizable share of our market are considerably lower than ours. In other words, we cannot compete with imports when our investment and costs are considered.

"Montana has increased its efficiency and its productivity as well as the quality of her cattle and beef to meet the needs of our Nation's consumers. Our cow herd alone has doubled since 1948 and yet prices today are lower than they were at that time. This means it will not be possible to continue present operations with present costs and with competition from imports which are permitted to enter at values below our cost

of production. To substantiate the large investment in land, machinery, improvements, and livestock, we refer you to a special summary of costs and returns to Montana farms and ranches prepared by Clarence W. Jensen, professor, Department of Agricultural Economics, Montana State College, Bozeman, Mont. This demonstrates the close margin on which we are now operating—\$20 per 100-pound cost and a national average return of \$18.50 per 100 pounds.

"We can meet the vagaries of weather and, given time, we can adjust to the ups and downs of a normal domestic market. But we have no way of getting at the competition from excessive imports. There are times when a controlled level of imports can serve a purpose, but when they reach the proportions of the past 2 years—equal to twice or more the total production of our State which ranks 10th in the United States in the number of beef cattle and 7th in beef cows—the effect on our economy is obvious.

"By USDA appraisals, the value per head of our cattle dropped 15 percent from January 1, 1963, to January of this year—from an average for all beef cattle of \$173 to \$146; a drop of \$27 per head and our inventory was 2,500,000 head. This would amount to \$67,500,000—a severe adjustment as far as tax base and loan values are concerned. A material proportion must be attributed to the competition from excessive imports often selling at a price lower than U.S. prices of comparable meat.

"During this same period USDA prices received for all cattle dropped 14 percent from an average of \$21.50 per hundred down to \$18.50. We market about 1¼ million head a year—about 822 million pounds, which would mean a loss of \$27 million.

"Since these imports are primarily the kind of beef that competes with the beef from cows and bulls, let us analyze the effect where it is direct. Cow prices dropped about 10 percent nationally—from \$15 in 1963 to \$13.80 for the United States. In Montana this price drop was to \$14.30. We in Montana sell about 200,000 head of cows and bulls each year—a loss of \$1,400,000. Even more important is the effect of low prices on cows for slaughter. Instead of two bidders for cows that should be removed from production, there is only one—the farmer with surplus feed or the marginal cattle producer who desperately needs a few more calves to try to break even. This means breeding cattle are added instead of going to slaughter where they belong. Thus production is increased and the problem is compounded—and the distorting influence is the competition from cheap imports. Last year we ended up with one of the largest increases in breeding cattle of any State. This is an unhealthy direction to be moving at such a critical time. If cheap imports were materially reduced, the bulk of our excess production would move into slaughtered channels and get our cycle back where it should be.

"Ours is not a business you can shut down for a while and then turn on again. Nor is it one that lends itself to moving to foreign countries where costs would be lower, where taxes would be less and investment smaller. In our State and certainly to a large extent in all parts of our country, the cattle producer and feeder is a major customer of many industries. The inroads made by continued importation of cheap overcompetitive products are being felt in the towns and by those who work in other industries. Curtailment of natural resources income that is renewable year after year slows to a halt the creation of new wealth—the wealth that has built our country and made it strong.

"I thank you for the opportunity of bringing to your attention the serious effects of the kind of competition that is being encouraged to exploit our domestic market at the expense of our own producers who have built up an efficient plant to provide the beef

which is needed to supply our Nation at all times and to keep it strong regardless of outside calamities."

"STATEMENT OF CARL W. BELL, ON BEHALF OF MONTANA CHAMBER OF COMMERCE, AND AFFILIATED LOCAL MONTANA CHAMBERS OF COMMERCE, BEFORE THE U.S. TARIFF COMMISSION, WASHINGTON, D.C., APRIL 28, 1964, WITH RESPECT TO BEEF AND BEEF PRODUCTS

"Mr. Chairman and members of the Commission, my name is Carl W. Bell, and I reside at 701 Second Avenue South, Glasgow, Mont. I am appearing on behalf of the livestock industry of the State of Montana in my position as vice president of the Montana Chamber of Commerce, which represents a cross section of Montana industry and business and which considers its interests to be in common with the livestock industry insofar as concerns the effects of beef imports on the industry in our State. I also appear before you on behalf of the several Montana local chambers of commerce listed at the end of my statement.

"The Agricultural Committee of the Montana Chamber of Commerce, through its chairman, C. P. Moore, a Great Falls banker, on March 18 this year, filed a statement with the Senate Finance Committee in support of meat-beef import legislation proposed by the Honorable MIKE MANSFIELD, U.S. Senator from Montana. What it said at that time has application in this hearing.

"The statement pointed out that the beef cattle industry in Montana and the Nation has made an enviable record. Through efficiency and quality improvement, it has provided the maximum per capita supply of beef at a reasonable price to the consumer. Per capita consumption has reached 95 pounds a year for the Nation. More important, an hour's work in our country will buy more beef than anywhere in the world.

"This progress has just begun. In a State like ours, the entire business community plays a part. We raise cattle and feed grains in Montana. More than two-thirds of the 90 million acres in the State is rangeland. It has economic value only through the conversion of grass to merchantable beef through the raising of livestock.

"All of us in Montana are working hard to build our economy—to build our future. We see primary potentials in livestock operation and utilization of feed grains. Can we be blamed if we are seriously concerned about the recent sharp drop in livestock prices and the reasons that have contributed to this?

"While the process is often painful, we are accustomed to working out the hardships of cycles in livestock production. And the shakedowns that come with drought or adverse prices are felt all along the main streets of our towns. Now we find ourselves faced with an additional influence on our basic economy—the effect of excessive imports of meat from foreign countries, which operate on much lower cost standards than we do. This comes at a time when the U.S. production is more than sufficient to meet demands. We feel certain that record quantities of imports, in addition to high domestic production, are material reasons for the low prices being received by American producers. We feel that it is of utmost importance that your commission recognize this and give sufficient information to the Senate Finance Committee so that it can take appropriate action.

"Montana is a raw material State, and as a producing State for livestock we are more seriously affected and will be even more so in the future. The big increase in imports has been in what is termed 'manufacturing beef' and similar meats. This competes directly with the products of our cows and bulls and indirectly with all beef production. The sale of cows and bulls alone constitutes a very important income to our producers in Montana.

"Specifically, our ranchers in Montana sell some 200 million pounds of cows and bulls each year. There is no question that the addition of some 2 billion pounds of competitive foreign meat has had a direct and adverse effect on our market. Our total annual sale of all types of cattle is about 1¼ million head. This means we market about 822 million pounds each year. When imports are added to an already heavy national supply, we lose a lot of potential returns. Last year, this loss for Montana was conservatively estimated at \$28 million. The loss will be considerably more this year—even if imports remain at about the same level. Our feeder customers are going to pass their recent losses back to us when they purchase replacement cattle for their feedlots.

"Artificial conditions have made the law of competitive markets inoperative, so far as imports are concerned. In the past, when prices declined so did imports. But, for 2 years, prices have gone down, while imports continue to increase. So the effect of imports has been more severe and will continue to be.

"Losses to Montana cattle producers are of concern to everyone in the State. We cannot progress, cannot even hold our own, with such serious effects from a situation over which we have no control. When cattle producers do not receive fair returns on the heavy investments they have made in land and livestock, the rest of us cannot expect our businesses to prosper. The tax burden to maintain schools and government falls on fewer and fewer people. Every trade area in our State is hit by this situation.

"Today, at least half of our cattle are sold at local livestock auction markets throughout the State. It is a good system, and it has been estimated that each \$1 million of livestock sold through one of these markets is equal to an industrial plant with a payroll of 160 persons. Ordinarily, our local markets do a business of about \$100 million a year. It is easy to figure that our local communities suffer a direct and heavy loss in this one field alone.

"Many more examples could be given you of the effects on our business, on our trade, and employment. But we are sure that the Commission, with its experience in this field, can accurately determine what has happened, as well as foresee what will happen unless something is done. Thank you for the opportunity of appearing before you today.

"Local Montana chambers of commerce endorsing Mr. Bell's statement are: Baker Chamber of Commerce, Beaverhead Chamber of Commerce, Billings Chamber of Commerce, Butte Chamber of Commerce, Glasgow Chamber of Commerce, Glendive Chamber of Commerce, Great Falls Chamber of Commerce, Harlowton Chamber of Commerce, Havre Chamber of Commerce, Helena Chamber of Commerce, Kalispell Chamber of Commerce, Roundup Chamber of Commerce, Shelby Chamber of Commerce, and Sidney Chamber of Commerce."

Mr. HRUSKA. Mr. President, I yield myself 30 minutes on the bill.

I rise to address the Senate on H.R. 1839, a bill reported from the Finance Committee, which has the purpose, among other things, of restricting imports of beef and veal and products thereof in all forms.

First of all, I commend the Finance Committee for reporting this measure to the Senate. A special acknowledgment, however, is due to my able colleague from Nebraska [Mr. CURTIS] for strengthening the original Mansfield amendment, which was one of the amendments that was submitted to the Finance Committee, and which was in-

corporated into the bill in a modified form.

In addition to the original concept of quotas on imports of fresh, chilled, and frozen meat, he has added two provisions of major importance: that quotas be imposed also on canned and other preserved meat, and that a moderate growth factor for imports be granted, but only at those times when such import increases will not break domestic prices below the level of 90 percent of parity.

Perhaps, in the face of overwhelming opposition by administration witnesses, and strong suggestions of a presidential veto, the majority of the committee members felt that the measure now before us was the best that could be obtained under the circumstances.

That may well be the case. Certainly, the Curtis amendment is a better answer than the Mansfield amendment, and the Mansfield amendment is better than no legislation at all.

Nonetheless, Mr. President, the whole issue of the incalculable damage being done to a basic American industry is again before the Senate of the United States. Now is the time for a decision.

For that reason, I announced that it was my intention to reintroduce the amendment voted upon on March 5 last.

It is changed only to make the statistics read in poundages instead of reciting that the imports will be limited to the annual average for the years 1958 to 1962. It is also changed to incorporate the two most important new features of the Curtis amendment just mentioned.

The original Hruska amendment to the wheat and cotton bill was defeated by only two votes. There were many assurances that the opposition was based not on substance, but on procedural grounds. I believe the industry which is threatened so seriously by excessive imports is entitled to an expression by the Senate on that question.

IMPORTANCE TO ALL AMERICA OF CATTLE AND BEEF

Each of 34 States in the Union has 1 million or more head of cattle. Cattle marketings account for more than 25 percent of all farm marketings of American agriculture. Those cattle marketings amounted in 1962 to \$8.1 billion, in 1963 to \$7.8 billion, in each case about as much as the total for all marketings of the six basic crops—wheat, corn, cotton, tobacco, peanuts, and rice.

The importance of cattle is universal and substantial throughout the country. They consume about 70 percent of our total volume of harvested crops. This certainly makes the farm effort a part and parcel of the cattle industry. Any significant impairment of the cattle industry means havoc to the feed grain farmer, who is already beset with more than his share of troubles. It means havoc, too, to the retail merchants, servicemen, fuel and farm supplement dealers, banks, the transportation industry, and the meatpacking payrolls, and all the jobs they produce.

Beef consumption per capita has risen from 55 pounds in 1940 to almost 100 pounds per person in 1964. The promotion efforts bringing this result have been

financed within the industry itself. The total consumption of beef in the United States in 1963 was about 18.5 billion pounds. Americans have made this product their favorite, and are entitled to favorable and stable conditions which will permit its continuance.

The chief purpose of my amendment is not to prohibit imports, but to fix acceptable and reasonable limits on such imports. And to do this in the form of law, so as to place the matter beyond the reach and manipulations of the State Department and Agriculture Department—neither of which has seen fit to recognize that imports are the largest single contributing factor to the long-lasting, distressing, and financially disastrous conditions in the cattle industry and related and affiliated fields.

HRUSKA AMENDMENT OF MARCH 1964

The direction of the debate on the Hruska amendment last March was most interesting. Not a single Senator spoke against the amendment on its merits. The only argument against it was that it had not received appropriate committee consideration. The majority leader urged its defeat on the ground that the chairman of the Finance Committee had promised prompt committee action. I think it is fair to say that the opposition within the Senate itself—at least to the extent that it was expressed openly—was based solely on procedural grounds.

On the day of the vote, shortly before the vote was taken, I pointed to the urgency of the situation, to the necessity for reaching a prompt decision. These were my words:

The parliamentary situation in the Senate now demands that we take action, and that we not refer this subject to a committee, but that we debate it the best we can in the Senate and resolve the issue here and now. The debate on the civil rights bill will be very protracted, as everyone agrees, lasting a number of weeks, and perhaps, a few months. By that time other matters will require our attention. The political conventions will be held shortly after that. Unless we take care of the matter now, there is serious question whether it will be taken care of in 1964, in this session.

When that vote was taken, the Hruska amendment was defeated by the narrow margin of 44 to 46.

Now we have had committee consideration. The Finance Committee has held voluminous hearings. It has had the benefit of a special study by the Tariff Commission. It has heard the Secretary of Agriculture give his reasons for opposing any and all legislation to restrict imports of beef.

After all that, the Finance Committee voted 12 to 2 to report this bill.

So after going through all the procedural requirements, we are back where we were 4 months ago.

That 4 months' delay has had two important effects. First, we are now 4 months closer to the end of this session of Congress, which means there is an added danger that the House of Representatives will not take up this legislation because of lack of time. The bill may fail simply because of the usual closing rush to adjourn.

But there is a second effect. The 4-month delay has given the cattlemen 4

more months of suffering and hardship without the relief provided by this bill. During the civil rights debate there was a great deal of talk about the long, hot summer of demonstrations that we faced in another field. Well, for American cattlemen it has been a long, tough fall, and winter, and spring, and summer to date, and so far as we know the end is not yet, notwithstanding a slight but very inadequate improvement in the market.

Just stop for a moment to count the actual financial cost of those 4 months of delay. Cattle prices this year, for the various grades and types of cattle, have ranged from \$2 to \$4 or \$5 below the levels of a year ago—and in some cases those year-ago prices already represented a severe price decline from a few months earlier. During those 4 months—one-third of a year—total cattle marketings amounted to about 14 billion pounds. Think what it would have meant to American cattlemen and American agriculture if they could have been sold at the prices of the previous year. It would have put about \$300 or \$400 million extra in their pockets.

During these 4 months our cattle industry has been treated to the most astonishing display of solicitude by the Secretary of Agriculture. Probably never before in its history has the industry received so much attention from a Cabinet officer during such a brief period. In fact, the solicitude started even before March 5, during the period when the Hruska amendment was merely being discussed, while the steam was building up behind it. During that week before the vote the administration first announced a beef buying program for school lunches and for direct distribution to relief clients.

Since then we have had further evidences of the solicitude of the Secretary. Hardly a week passes without some new announcement of a plan to help the cattleman—the development of an export promotion program, feeding the soldiers beef instead of pork, an overseas giveaway program of surplus beef under Public Law 480. I would not want it supposed that I am blind to the possibilities of all these programs; because programs for market development, at home or abroad, have an obvious value which I strongly endorse. The point is that the Secretary has been willing to go for any and every suggestion that might help cattle—except one. There is one key step he will not take, that is, to stand up to the State Department and insist on reasonable restrictions on foreign beef, to place the interests of the American producer ahead of the requirements of international diplomacy. He will give us anything, except the one thing that is really needed.

Hence it is necessary for Congress to legislate.

ACTION BY THE COMMITTEE

I have been impressed by the manner in which the Finance Committee has dealt with this problem. Witnesses from all parts of the country were heard. The Secretary of Agriculture appeared, and explained at some length his analysis of the problems of the cattle industry, his

programs to help the industry, and his objections to any quota legislation of any kind. The vote was 12 to 2. Of the two Senators voting in the negative, one, the Senator from New Mexico [Mr. ANDERSON] has said that he would have supported quota legislation in a slightly different form. So only one of the committee members went completely along with the Secretary in this matter.

In its report the committee makes it clear that it relies heavily on the report by the Tariff Commission which had been called for by committee resolution last fall. As the committee points out, the Tariff Commission found that imports of foreign beef were one of the factors contributing to the depressed condition of the cattle industry. Senators are aware that for many months we have been subjected to a ceaseless barrage of propaganda from the State and Agriculture Departments, designed to make us believe that imports were of little significance in influencing our cattle prices in this country. It is clear that the Tariff Commission refused to serve as an apolo-

gist for the State and Agriculture Departments in this propaganda campaign.

From 1956 to 1963 the Tariff Commission reported that beef consumption in the United States increased from 15.7 billion pounds to 18.6 billion pounds, or almost 3 billion pounds. During the same period of time, imports increased from 0.2 billion pounds to 1.7 billion. In other words, during this period the increase in imports amounted to 1.5 billion pounds, providing more than half of the additional beef consumed. In the face of this fact, how is it possible to argue that the problems of the industry are primarily due to domestic overproduction?

The Tariff Commission also provided us with a useful tabulation showing the purposes to which beef from different sources is put. The tabulation is reproduced in the committee report, and I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Form in which beef is consumed	Domestic production			Net imports ¹	Total
	Fed cattle	2-way cattle	Cows and bulls		
Table cuts.....	7.0	2.6	(²)	0.1	9.7
Hamburger.....	2.4	.7	0.5	.8	4.4
Other processed meat products.....	.1	.4	2.3	.7	3.5
Total.....	9.5	3.7	2.8	1.6	17.6

¹ As reported by the U.S. Department of Agriculture.

² Less than 50 million pounds.

Source: Tariff Commission Report on Beef, June 1964.

Mr. HRUSKA. Mr. President, the tabulation shows, for example, that over one-fourth of the beef from fed cattle, and nearly one-third of the beef from two-way cattle is used for manufacturing purposes, either for hamburger or for other processed products. The point is significant because we have been told repeatedly by the State and Agriculture Departments that imported beef is practically noncompetitive with beef from our own fed livestock, since the imports go largely for manufacturing uses and are necessary to keep us supplied with hamburgers.

The tabulation shows, on the contrary, that most of the supply of hamburger meat—nearly three-fourths—comes from fed cattle and two-way cattle. Most of the cow and bull beef, and half the imported boneless beef, goes into other processed products such as sausage.

It is heartening indeed to see at long last some of these facts come to light in official, dependable form, free from bias and propaganda.

TIME FOR ACTION

Mr. President, now is the time to act. The cattle industry cannot forbear any longer. It has waited patiently through days and days of hearings, then weeks of delay when hearings could not be held because of the lengthy Senate sessions, then further delays even after the bill had been voted on in committee and reported out. It cannot afford the continued financial losses. Neither can it afford to indulge the majority leadership

in further delays in scheduling this legislation for floor action.

Furthermore, in bringing this issue to a head, it has seemed to me that it would be a mistake if we vote a lesser reduction than what is really needed.

The amendment on which a vote was had on March 5 called for a rollback of imports to the level of 1958 to 1962—a considerably smaller quantity than that proposed in the committee amendment. That Hruska amendment was beaten by only 2 votes—44 to 46. Throughout the debate on it, no single argument against it was spoken, other than on procedural grounds. Since then, no valid argument has been made against it.

Therefore, at the appropriate time, it is my intention to substitute the original Hruska amendment, in place of the committee amendment. Certainly the committee amendment, if adopted, would do much good, but we need stronger medicine if we can get it, and I believe we can. This amendment lost by only two votes before, and then largely on the basis of procedural objections which have since been satisfied.

Stopping for a moment to take a broader look at this whole issue, just what is it that we are demanding on behalf of the domestic cattle industry? What is our long-range problem, and what are our long-range goals? Is our criticism of the agreements with Australia, New Zealand, and the other countries a matter of principle or a matter of detail? What are the basic prin-

ciples over which we differ with the administration?

STATE DEPARTMENT POSITION

I should now like to discuss the position taken by the State Department. Essentially, what it has actually done with the agreements with the people of Mexico, Australia, New Zealand, and Ireland has been to set aside permanently a major fraction of our domestic market for the benefit of foreign beef producers. That is the real meaning of the agreements with these foreign countries. By those agreements, our State Department accepted and recognized, and sought to make a permanent fact in our national policy, a claim by the cattlemen of those countries to some sort of right to this portion of the American market.

Initially, this set-aside amounted to slightly more than 10 percent of our own production. Ultimately, it might well have grown larger, because of the growth factor. In each of the four agreements negotiated—with Australia, New Zealand, Ireland, and Mexico—there is carefully written in a provision for an annual growth factor of 3.7 percent. Thus, under the administration formula, we can look forward to a steady broadening of the foreign beachhead on our shores. That, in essence, is the administration-State Department program.

It is unacceptable. It should be vigorously opposed. It must be rejected.

What is it that we ask instead?

BRIEF HISTORY OF IMPORT VOLUME INCREASES

Before answering that, let us look briefly at the recent history of beef imports into this country. The fact is that until a very few years ago, beef imports were nothing to worry about. We imported annually a few hundred thousand head of live cattle, almost entirely feeders. We permitted the importation of some canned beef from Argentina and other South American countries. A few other specialized types of beef were brought in by one channel or another.

Until 1958, all of those types of beef added together whether canned or otherwise prepared or alive on the hoof, did not add up to more than about 500 million pounds in any 1 year, in carcass weight equivalent. In most years it was less. For example, during the period 1953 to 1956, total imports of beef in all forms, carcass weight equivalent, amounted to only about 300 million pounds annually, equal to about 2 percent of our domestic production.

Then in 1958, the flood of imported boneless beef started. In 1954 imports of boneless beef were 112 million pounds, carcass weight equivalent. In 1957, they were 128 million pounds. In 1963, they were 1,363 million pounds—10 times as large as in 1957, 100 times as large as in 1954.

Here is the point I want to emphasize. Imports in this gigantic volume are a very recent and certainly, we hope, a very temporary thing. The State Department would treat them as a nor-

mal and permanent thing, and recognize them as such. The State Department agreements with these foreign countries would cement them into our economic structure as a part of our permanent trade pattern, with a growth rate added in to boot.

THE CORRECT POSITION

That is exactly where we must differ with the State Department and the administration. By contrast, our position is this. We have surplus land and surplus feed grains. We are paying people to keep land out of production. We have the most efficient and skilled manpower, the most carefully developed and protected breeding herds in the world—in short, the most productive cattle industry in the world. We can expand our beef production to any level that may be desired, and we have proven in the past that we can. Historically, we have always been able to produce all or substantially all the beef supply needed by this country. We do not believe we should give away one-tenth of our home market, as the State Department apparently believes we can. On the contrary, we think we can fill it all.

STATUTORY ACTION IS IMPERATIVE

I repeat, Mr. President, now it is time to act. The cattle industry cannot forbear any longer. Yet we do not ask that all imports be barred. We ask only that they be confined to a reasonable, acceptable, and workable level—by statute.

It is not enough to point to a supposed reduction in 1964 imports—a claim not too well founded for a number of reasons, including the fact that the year is only one-half gone. Even if such reductions were a fact, it must be borne in mind that they are voluntary and temporary. When conditions change, the will to continue reduced imports is capable of just as rapid a dissipation as there was in its appearance.

It can well be supposed that the mere existence of the bill we now debate could well be one reason for voluntary reductions by exporting nations.

We know also that the improved European market demands in favor of beef-producing countries have been a factor. Such conditions could change as quickly as they appeared and the exporting countries could be expected to revert to their heavy shipments to the United States—just as they did in 1958 and following years when radical and adverse market conditions in Europe appeared.

Parenthetically, but significantly, it is pointed out that the attempt of Secretary Freeman to tout European market potential for U.S. beef, is pathetically flat and unrealistic.

To be sure, teams of American cattlemen have been sent abroad to sell English and continental beefeaters on the merit and quality of American beef. But aside from being a gimmick aimed principally at placating a very deeply disturbed and concerned constituency, very little was achieved. Why? Not because American beef is not superior. Not even

because it is not preferred in England and Europe. Even they recognize what we all know; namely, "American beef is best." The reason no real hope exists for American beef export is purely economic. It is a matter of price. They will not pay the price the American cattle and beef producers must have in order to stay in business. The competition of non-American producers is too keen, because their costs of doing business are so low. Low wages on the ranch and in the packinghouses; no fringe benefits. no U.S. income tax; low land costs, and a host of other factors contribute to this.

The only way we could compete would be for Uncle Sam to subsidize U.S. beef exports. What a prospect. To spend the American taxpayers' money for export subsidies in order to allow imports from foreign nations of a product which we are capable of producing for ourselves.

It is a pathetic, even absurd, idea—but considering some of the State Department's ventures in the exotic and esoteric in foreign aid, it would not be totally unexpected.

These and many other factors make it pointedly clear that firm action by statute is necessary—so that the American cattle producer, processor, and consumer may have that degree of stability and protection from foreign influences, which are necessary in the public interest.

We have had 4 months to see whether there is some other way than the agreements of the State Department to solve the cattle problems. After 4 months of delay, the market picture for cattle has not changed fundamentally. During the last few weeks the prices of fed cattle have turned up a little, encouragingly, but, of course, are still far, far below a break-even point. They are even below the corresponding week of last year, which was already at a distressingly low figure. Prices of feeder cattle have had a further very bad slump, since March. Prices for cows are down a little, and are running \$1 to \$2 below last year. I have some tables to insert at the end of my remarks on the various grades of cows, copied from the Secretary's own statements before the Senate and House committees, and brought up to date.

Mr. President, it is my hope that the bill, as amended, may pass by a large margin. A big vote will help to get action by the other body. This is our chance, and our last chance this year, to repair at least part of the damage that has been done to American agriculture by the mistakes that have been made. I earnestly urge the Senate to act accordingly.

Mr. President, I ask unanimous consent that there be printed at the conclusion of my remarks, which I have now reached, tables I, II, and III, which relate to cattle prices for portions of the last 3 calendar years.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—Choice feeder and stocker steers, 500 to 800 pounds: Average price per 100 pounds, Kansas City, by months, 1962 to date.

	1962	1963	1964
January.....	\$25.34	\$27.24	\$23.21
February.....	26.03	26.48	22.64
March.....	26.32	26.13	23.32
April.....	26.68	26.62	22.74
May.....	26.18	26.00	21.54
June.....	26.31	26.38	21.74
July.....	26.87	26.85	¹ 21.75
August.....	27.25	26.31	-----
September.....	27.86	25.42	-----
October.....	28.05	24.63	-----
November.....	28.80	24.19	-----
December.....	28.15	23.15	-----
Annual average.....	27.00	25.78	-----

¹ Week ending July 11.

Source: U.S. Department of Agriculture.

TABLE 2.—Choice slaughter steer prices: Average cost per 100 pounds of sales out of 1st hands, Chicago, by months, 1962 to date

	1962	1963	1964
January.....	\$26.39	\$27.27	\$22.61
February.....	26.76	24.93	21.34
March.....	27.31	23.63	21.56
April.....	27.45	23.77	21.28
May.....	26.02	22.61	20.52
June.....	25.25	22.69	21.57
July.....	26.50	24.72	¹ 23.33
August.....	28.19	24.60	-----
September.....	29.85	23.94	-----
October.....	29.50	24.03	-----
November.....	30.13	23.51	-----
December.....	28.91	22.30	-----
Annual average.....	27.67	23.96	-----

¹ Week ending July 9.

Source: U.S. Department of Agriculture.

TABLE 3.—Utility cow prices: Average per 100 pounds, Chicago, by months, 1962 to date

	1962	1963	1964
January.....	\$14.87	\$15.07	\$13.19
February.....	15.26	15.00	13.51
March.....	15.97	15.52	14.58
April.....	16.06	15.74	14.84
May.....	15.91	16.31	14.53
June.....	16.42	16.26	14.39
July.....	15.31	15.33	¹ 14.32
August.....	15.20	15.65	-----
September.....	15.65	15.10	-----
October.....	15.31	14.64	-----
November.....	15.22	13.82	-----
December.....	14.91	12.71	-----
Annual average.....	15.50	15.10	-----

¹ Week ending July 11.

Source: U.S. Department of Agriculture.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. CURTIS. I compliment my colleague from Nebraska for his brilliant efforts in this field of endeavor. It is regrettable that the amendment he offered to the cotton-wheat bill was not adopted. It was a timely amendment. It would have meant much to the economy of our country. Furthermore, had the Hruska amendment to that bill, as originally proposed, been accepted, there is no question that there would have been ample support for it in the House of Representatives. The bill covered a number of aspects of American agriculture, and I am sure that no one would seriously have contended that it would be vetoed. However, that time has gone by, and we are now faced with the task of doing the very best we can.

Perhaps there is no State in the Union where all phases of meat production are as important as they are to the State of Nebraska, which my colleague and I have the honor to represent in this body. Great packing companies are located in Nebraska. In addition, there are many smaller and medium-sized packing concerns.

I live in a small community having a population of about 2,300. In recent weeks the announcement has been made that the feeders there are building their own packingplants. The entire process of meat production is an item of great importance. This includes the raising of the calves on our wonderful pasture land and our corn belt feedlots, the processing and selling of the meat, the provision of refrigeration, and all the other elements that are involved.

Anything that cripples the meat industry has its effect on all agriculture. Pressures even for the production of wheat and other commodities are created when our market for livestock is taken away from us.

No one has suggested that there are not problems facing every business, but the fact remains that the main difficulty with the cattle business has been the imports.

Imports cannot be increased from 2½ percent in 1957 to 11 percent today without great damage. It is like a store having 100 customers. If the store loses 11 customers it will take a loss.

We must face that fact; and the Government of the United States must take the position that it is either with our people or against them in this matter.

I thank my distinguished colleague, the Senator from Nebraska [Mr. HRUSKA], for his contribution in this regard.

Mr. HRUSKA. I am grateful to my colleague for his interest in this industry, and the competence with which he has pursued his interest in the Finance Committee, as I have already indicated in my principal remarks.

Mr. CARLSON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. CARLSON. I commend the senior Senator from Nebraska for his untiring efforts in behalf of the livestock producers of this Nation, particularly the cattle producers who have suffered severely during the past 18 months because of the greatly increased imports of beef.

The American beef industry represents the largest single segment of American agriculture. The value of cattle and calves is about 20 percent of the total cash income of agriculture. Cattle and calves produce more cash farm income than the six basic crops. The Senator from Nebraska has given the Senate a very cogent statement on the importance of this industry.

We all realize that historically the cattle industry has its ups and downs. Sometimes, it has to pay a price for a free competitive market for feed cattle.

We should also remember that the cattle industry has no desire to eliminate reasonable competition from abroad. It looks to the Government to afford it reasonable protection from imports.

It was a privilege to participate in the hearings held before the Finance Committee, of which I am a member, and to assist in reporting the bill.

I sincerely hope that the Senate will today, by a very large vote, approve this proposed legislation, and that it will be approved by the House of Representatives and signed by the President. I believe that the bill is reasonable, and sincerely hope it will be passed.

I thank the Senator from Nebraska for yielding to me.

Mr. HRUSKA. The understanding of this problem by the Senator from Kansas [Mr. CARLSON] was clearly evidenced in the hearings before the Finance Committee, of which he is a member; and his remarks today indicate that his understanding has been greatly furthered.

Mr. President, I reserve the remainder of my time.

Mr. MAGNUSON. Mr. President, will some Senator yield me 3 or 4 minutes?

Mr. JORDAN of North Carolina. I shall be glad to do so.

The PRESIDING OFFICER (Mr. ERVIN in the chair). The Senator from Washington is recognized for 4 minutes.

Mr. MAGNUSON. Mr. President, I wish to associate myself generally with the remarks of the Senator from Kansas and the two Senators from Nebraska.

My own State is a great cattle producer. The feeling of the people of my State about this situation has been expressed by the Senator from Nebraska. Although this is not as far as we should like to have gone, I know the problems of the Finance Committee, and I appreciate the judicious way in which it considered the situation.

I hope that the bill will pass by an overwhelming majority.

I should like the RECORD to show, however, that on page 340 of the hearings there is a letter written by myself, directed to the chairman of the Finance Committee, which points up a worsening situation which is possibly even more serious than the beef situation.

I had hoped that the committee would give some consideration to an even more serious problem involving exports of softwood lumber. I submitted an amendment, but I do not know whether the committee voted on it in executive session. I suspect that the committee felt that softwood lumber was one matter and that beef and meat exports were another. I am hopeful that the committee will at some future date consider the softwood lumber situation. The U.S. market for our own producers of softwood lumber has been usurped to the extent of probably five-sixths—almost 10 times as much as the domestic beef market.

Mr. CARLSON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. CARLSON. The distinguished Senator from Washington has untiringly and consistently favored the limitation of imports of softwood lumber, and also the marking of lumber.

Mr. MAGNUSON. The Senator is correct.

Mr. CARLSON. I well remember when he appeared before the Senate Fi-

nance Committee and testified to the effect that this should be done. The committee adopted an amendment, but it was stricken out in conference, as the distinguished Senator from Washington will remember, even though the Senate had approved it.

Mr. MAGNUSON. The Senator is correct.

Mr. CARLSON. I believe—it was stricken out—and I would be less than fair if I did not so state—because of the opposition of every interested agency of the Federal Government.

Mr. MAGNUSON. The Senator is correct. He has been very helpful. Although I feel keenly about the bill before the Senate, I believe that there is one other product in the United States of almost equal importance financially, if not on so broad a scale as cattle, which needs to be attended to as soon as possible. I refer to softwood lumber. I hope the committee did not rule out this product. But I suspect that it was not brought into the bill because softwood lumber was one thing, and the proposed legislation was another and it was felt that they should be considered separately on their merits.

Mr. President, I ask unanimous consent that my letter to the chairman and the amendment proposed by me, appearing on page 340 of the hearings, be printed in the RECORD.

There being no objection, the letter and amendment were ordered to be printed in the RECORD, as follows:

Hon. HARRY FLOOD BYRD,
Chairman, Committee on Finance,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: H.R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, is pending before your committee. I understand that hearings are now underway on amendment No. 456, which would provide for a quota on imported meats.

I would like to take this opportunity to propose a further amendment to H.R. 1839 to impose an annual quota on the quantity of softwood lumber which may be imported into the United States.

Mounting imports of softwood lumber are having an increasingly adverse effect on the domestic lumber industry, the economy of our Nation's lumber-producing areas, and business and employment within these areas. Imports of softwood lumber have risen from 4.1 percent of U.S. consumption in 1947 to in excess of 16 percent in 1963.

The Dominion of Canada, which supplies most of the softwood lumber coming to the United States, enjoys numerous cost, subsidy, and tariff advantages not possessed by U.S. softwood lumber producers, a fact indicating that unless these advantages are offset by legislation, such as the amendment I am proposing to H.R. 1839, import competition will continue to grow with resulting declines in U.S. production and prosperity.

Canadian advantages include arbitrarily manipulated exchange rates which place the Canadian dollar approximately 7.5 cents below the U.S. dollar, Government pegged stumpage rates far lower than Western United States stumpage costs, Government-conferred transportation benefits, and tariff differentials so favorable to Canadian producers that they abrogate the principle of reciprocity on which the Tariff Act of 1930 was based.

The amendment which I offer is attached. I hope that you and the other members of the Committee on Finance will be able to give this amendment favorable consideration. Copies of this letter are being sent to your committee colleagues and, of course, I would be happy to appear at any time before the committee in support of the proposed amendment.

Sincerely yours,

WARREN G. MAGNUSON,
Chairman.

AMENDMENT

Intended to be proposed by Mr. MAGNUSON to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for the exhibition in the United States, viz: At the end of the bill insert the following:

"SEC. 3. That commencing on the effective date of section 4 of this Act, no softwood lumber shall be imported into the United States during any calendar year in excess of the quota for such established pursuant to this Act.

"SEC. 4. (a) The total quantity of softwood lumber which may be imported into the United States during any calendar year shall be 6 per centum of the average annual consumption of softwood lumber in the United States during the three calendar years preceding such year.

"(b) Notwithstanding the provisions of subsection (a), the total quantity of softwood lumber which may be imported into the United States during the remaining portion of the calendar year in which this section becomes effective shall be the quantity prescribed by subsection (a) for such year less one-twelfth thereof for each full calendar month that has expired in such year on the effective date of this section.

"(c) This section shall become effective as soon as practicable, on a date to be specified by the President in a notice to the Secretary of the Treasury following such negotiations as may be necessary to effectuate a modification or termination of any international obligation of the United States with which this Act might conflict, but in any event not later than sixty days after the date of the enactment of this Act.

"SEC. 5. (a) The Secretary of Commerce shall, within sixty days after the date of the enactment of this Act, determine the domestic consumption of softwood lumber for the three calendar years preceding the year in which section 4 of this Act becomes effective, and on the basis of such determination shall establish the quota for the importation of softwood lumber for such year. The Secretary of Commerce shall within sixty days after the beginning of each calendar year following the year in which section 4 of this Act becomes effective, determine the domestic consumption of softwood lumber for the three preceding calendar years, and on the basis of such determination shall establish the quota for the importation of softwood lumber for such calendar year.

"(b) If the domestic consumption of softwood lumber during any preceding calendar year cannot be determined within the period prescribed in subsection (a), the Secretary of Commerce shall estimate the domestic consumption for such year and on the basis of such estimate shall establish a preliminary quota which shall be effective until a determination of domestic consumption for such year can be made by him.

"(c) The Secretary of Commerce shall, as soon as the quota (or preliminary quota) for the importation of softwood lumber for each calendar year has been established by him pursuant to this section, notify the Secretary of the Treasury, and publish the quota in the Federal Register.

"SEC. 6. The Secretary of Commerce and the Secretary of the Treasury are authorized to prescribe such regulations as may be necessary to carry out this Act.

"Amend the title so as to read: 'An Act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, and for other purposes.'

Mr. METCALF. Will the Senator from North Carolina, the acting majority leader, yield to me?

Mr. JORDAN of North Carolina. I yield 2 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 2 minutes.

Mr. METCALF. Mr. President, cattle prices began to slide nearly 2 years ago and have been moving downward ever since. Some persons attribute the decline in prices to imports of low-quality beef from other countries which have been climbing sharply in recent years and which amounted to 11 percent of domestic production last year.

The June 30 report of the U.S. Tariff Commission shows that a number of factors in addition to imports contribute to the present depressed condition of the domestic cattle industry. They include: First, increases in the number of cattle; second, increases in the size of beef animals; third, increases in the availability of alternative meat products; fourth, increases in numbers of domestic animals slaughtered; fifth, capital gains treatment on proceeds from sale of breeding stock.

A 10-percent increase in the per capita supply of fed beef will reduce prices of fed cattle by about 13 to 15 percent. During 1963 alone, domestic production of fed beef rose by 8 percent per capita. Thus about \$3 per hundredweight of the decline of \$3.70 in the price of choice steers in 1963 can be attributed to increased supplies from our own feed lots.

Imports are a factor in the beef price decline. That is why we are doing what we can here today to alleviate this phase of the situation.

No real price improvement based on normal market forces can be expected if feedlots continue to be filled and cattle continue to be fed to heavy and heavier weights. It follows that we face a serious situation for at least the balance of this year—unless something is done. There have been the following recent developments:

First. The Federal Government has stepped up its purchases of beef. The Department of Agriculture—buying for schools and needy persons—has already spent \$52 million for 90 million pounds of frozen and canned beef. The Defense Department—purchasing for overseas consumption—has increased its purchases.

Second. The Agriculture Department is working with industry in vigorous "eat beef" promotional efforts both in the United States and in Europe. This has helped to boost retail sales as much as 25 percent above a year ago in some cities.

Third. The administration has moved to reduce imports through voluntary

agreements so that they are now expected to be at about the 1959-63 average level—the level advocated by many groups in the cattle industry and by the Mansfield amendment which has been approved by the Senate Finance Committee.

Fourth. A Presidential mission representing the industry and the Johnson administration flew to Europe last month and found an excellent export market potential there. Beef prices have skyrocketed 70 percent in Britain in the last year. Over the last 4 years, meat consumption in the Common Market countries has increased by 30 percent along with a 21 percent increase in wages. In short, these people are making more money and demanding more beef. This demand is forcing prices up to a point where it is profitable for the United States, and other countries that are now exporting to the United States, to export their excess beef to Europe.

Fifth. Commission on Food Marketing to study marketing costs and margins in the wholesale and retail marketing structure has been created. Since 1954, the difference between the price received by the farmer and the price paid by the housewife for beef has increased from about 24 cents a pound to 37 cents. We need to know why such changes have occurred and why lower beef prices have not been passed on to the consumer at the meat market.

Sixth. A National Advisory Committee has been created—Robert Barthelmess, Miles City, president of the Montana Stockgrowers Association is a member—to make recommendations on behalf of the cattle industry.

Seventh. Changes in beef grading are being proposed in order to encourage marketing of lighter weight cattle.

Eighth. Action has been taken to include U.S. beef among agricultural commodities eligible for export financing under Public Law 480—the food-for-peace program.

Ninth. Tariff and import negotiations are being conducted at the so-called Kennedy round of Geneva international trade negotiations.

Beef cattle numbers have increased from 43 million to 79 million since 1950. The number of cattle on feed in major States has doubled since that time. The resulting increase in fed beef production within the United States has simply overwhelmed the market—even in our prosperous Nation where people are eating more beef than ever.

In order to develop programs to correct the problem of low beef prices, we must face realistically the fact that the major cause of these low prices is domestic overproduction. But this proposed legislation introduced by my senior colleague will also help.

I urge its passage and approval.

Mr. JORDAN of North Carolina. I yield 2 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I strongly support the passage of H.R. 1839, as amended by the Senate Committee on Finance to restrict the importation of beef, lamb and mutton products. In my opinion, it is imperative

that this legislation be passed immediately; in fact, its enactment is long overdue.

As all Members of the Senate know, the level of these meat imports into the United States has increased significantly during the past 5 or 6 years. Beef imports reached a peak in 1963 when they amounted to over 11 percent of our total domestic production. Unquestionably these imports have been an important factor in the serious break in our domestic market.

In a letter to the President last November and in a statement on the floor of the Senate at the same time, I called for immediate action to be taken under the President's existing authority. It was suggested at that time that voluntary agreements be negotiated with the major cattle-producing nations to limit the quantity of imports into the United States. Shortly thereafter, the Secretary of Agriculture announced that such agreements had been reached with Australia and New Zealand. Subsequent agreements were entered with Mexico and Ireland. However, the cattle industry was deeply disappointed with these agreements for they do nothing but freeze these imports at the peak level of 1962-63. In addition, these agreements all provide for automatic increases each year. It is clear that these agreements are completely unsatisfactory.

I do want to commend the Secretary of Agriculture and the administration for the efforts being made to increase the use of beef products in the military services and in school and welfare programs, as well as the efforts to develop new markets overseas. Each of these programs can be of value in helping to improve our domestic market. However, I am convinced that we must adopt more realistic import quotas if we are to bring domestic prices back to the level prior to 1963.

The cattle industry in the United States is one of the last to be free of government support and regulation. On the other hand, cattle producers in the major foreign producing countries receive tremendous support and incentives from government authorities which place these producers in an extremely advantageous competitive position. Unless we are prepared to see our own cattle industry become dependent on the Federal Government, as are so many other industries, we must give the cattlemen protection from the unfair position of the foreign producers. No one is asking that all imports be prohibited—all that is asked is that the amount of these imports be restricted to a reasonable level, not at the alltime high level of 1962-63.

I believe H.R. 1839 incorporates a very reasonable, but realistic, restriction on these imports. It provides basically that foreign producers may ship beef and beef products into this Nation at the average annual level of imports for the 5-year period ending December 31, 1963. This was a period when imports were increasing, and in my opinion is a just and reasonable period on which to base future imports. Of course, certain automatic increases are included in H.R. 1839

to provide adjustments coinciding with the growth of our domestic market.

In conclusion, I believe this measure is urgently needed. Our domestic cattle market is in a very depressed condition, and, while other factors may be involved, the tremendous increase in beef imports during the past few years has certainly had a very serious effect on prices in this country. H.R. 1839 incorporates a very reasonable approach to this problem and I believe it merits the support of all Members of the Senate.

I trust there will not be any serious or effective opposition to the passage of this meritorious legislation.

I thank the Senator for yielding to me at this time.

Mr. JORDAN of North Carolina. Mr. President, I yield myself 2 minutes. The very fact that the Senate is now in the process of considering proposals which would regulate the flow of meat imports into the United States is most significant. The fact that this matter is before the Senate gives some indication of the tremendous rate at which meat imports have increased in recent years. Almost overnight, imports of meat have soared to the point that they have brought on critical problems for our entire cattle industry. Something must be done to slow down and regulate the volume of these imports that are causing many cattle producers to lose tremendous amounts of money and in many cases forced out of business.

I intend to support effective measures to bring about some measure of control over the importation of meat.

I intend to do this not only because of the urgent need for relief for our cattle producers, but also because our entire balance of trade situation needs careful consideration and action.

For some time I have felt that we in the United States cannot afford to take the attitude that we can furnish unlimited markets for any and all commodities and products for any and all nations of the world. At some point, we must face reality, and I think we have reached that point.

I do not feel that we should shut off and prevent all imports in any commodity or product. Certainly there is room for imports—we all know that we must both buy and sell in world markets. But most important of all, the inflow of commodities and products into the United States must be regulated and kept on an orderly basis. This is all I ask. I do not say, "Do not buy," but I do say, "Buy carefully," and when I use the word "carefully," I mean that we must keep our imports at such a level that we do not destroy our own industries and our own economy.

Many of our industries have been seriously damaged in recent years as a result of excessive imports.

We have urgent problems in the cattle industry. We also have urgent problems in the plywood and lumber industries, and we have serious problems in the textile industry.

In the textile industry, we have made repeated efforts to work out voluntary agreements among the various exporting nations of the world. We have made

some progress, but not as much as we hope to make.

The woolen textile industry is a good example. At the present time woolen textile imports amount to about 20 percent of our domestic production. This is an excessively high percentage, and we cannot afford to let it go unharnessed indefinitely.

At this very moment negotiations are in progress looking toward a voluntary agreement which would limit and regulate woolen imports. We have high hopes these negotiations will be successful, but in the event they are not, Congress should give careful consideration to legislative remedies along the same lines as those now being considered for meat.

I mention these things, Mr. President, to point up the fact that we have problems in areas other than the cattle industry, and all of us—and indeed those nations which move excessive imports into the United States—must face up to the fact that we cannot absorb unlimited imports. We have reached the saturation point in many products and commodities, and the sooner we face up to this fact and the sooner our friends in the world community face up to this fact, the better off all of us are going to be.

Mr. HRUSKA. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. MUNDT].

The PRESIDING OFFICER (Mr. WALTERS in the chair). The Senator from South Dakota is recognized for 5 minutes.

Mr. MUNDT. Mr. President, I associate myself with the remarks of the Senator from Washington [Mr. MAGNUSON] in support of the timber industry, which has long been suffering from excessive imports. While I am not certain whether any successful effort can be made in connection with the legislation now before the Senate which would be of relief to the timber industry, it is a problem which requires immediate attention. The timber industry is seriously hurt by continued imports.

We are interested today in the present bill primarily in the beef problem, which has been a big concern to the country and to Congress for many months. For many months we have listened to many discussions in committee, on the floor of the Senate, before the Tariff Commission, and in important conferences on the needs of taking legislative action which would effectively curb the imports of meat and meat imports into this country which have contributed to the disastrous decline in the livestock economy. But unfortunately the lack of action by Congress and the lack of concern on the part of the administration in utilizing the authorities and the machinery at their disposal to effectively correct this situation has seen farm parity forced down to 74 percent—the lowest point it has reached since 1939.

Mr. President, I am saddened by the fact that we are here in the dying days of July 1964—close to the adjournment of this Congress—debating and considering legislation to curb meat imports and thus give aid and comfort to the live-

stock producers, when, in fact, we could have taken this same action on March 5, 1964, when the Senate considered the Hruska amendment to the wheat-cotton bill which would have placed these import restrictions in that bill as a separate title. Just think, our livestock economy would have enjoyed the benefits of the provisions of that amendment for the past 5 months if the Senate had not defeated the amendment by the slender margin of two votes. Two votes were all that prevented the Hruska amendment from becoming a part of the farm bill which was then on its way to the White House for approval. We were told at that time, Mr. President, that if the Senate approved the Hruska amendment, the entire cotton-wheat bill would be vetoed because the White House was unalterably opposed to it.

Evidently the threat of an overall veto of farm legislation had its effect and the amendment was defeated by two votes.

Mr. President, what has changed the picture today? Has the threat of the veto been withdrawn? Or, Mr. President, are we actually engaging in an exercise in futility in the Senate today in considering and passing this legislation? Will this proposal, as indicated in the Washington Farmletter for July 24, 1964, published by Wayne Darrow, get lost in the House of Representatives? Let me quote the paragraph from this most respected newsletter which is so pertinent to this question. Mr. Darrow writes:

Senate beef and meat import restriction bill is due to pass Senate next week, then get lost in the House. But strong efforts will be made to bring it to a House vote, and Chairman MILLS, Democrat, of Arkansas, of the Ways and Means Committee, is said to be less opposed than formerly. But one way or another, the administration is likely to prevent favorable House action.

I hope that this prognostication of Wayne Darrow's is 100 percent wrong and that instead of opposing the bill that the administration will throw its weight behind the bill and its passage clear through Congress, and over the President's desk, into legislation.

I hope that as conscientious Members of the Senate we are not involving ourselves in some legislative action which will lead the cattle producers into believing action has been taken to help them when in reality we have done nothing. If the bill does not pass the Congress and if it is not signed into law by the President, but we, by our action, lead the producers to believe it will be, we have then imposed a most cruel hoax on this great segment of the agriculture economy.

Mr. President, statistics have been inserted in the RECORD for many months supporting the thesis advanced here today; namely, that these imports of meat and meat products must be curbed. We all are aware of the statement by former Assistant Secretary of Agriculture Roland R. Renne, in an address to the American National Cattlemen's Association in Memphis, Tenn., on January 28 of this year, when he said:

The U.S. share in world beef imports increased from one-fourth in 1950 to over one-

half in 1962 and further increased imports in 1963 raised the U.S. percentage of total world import figure still higher.

In that same speech Mr. Renne went on to say:

This great increase in beef imports has been encouraged by the increase in import restrictions in other major markets. Today the United States is the only major beef market without any quantitative restrictions and with a very nominal fixed import duty.

Today we have an opportunity to correct that situation. Let us not make the same mistake on July 28 that we made on March 5.

Let us approve the Curtis amendments as they are now included in the pending legislation when it is voted on today. Let us thereby impose a far more effective and meaningful curb on livestock imports than that contained in the original Mansfield resolution. Let us resist all amendments designed to weaken the bill, as it has been reported with the substitute Curtis language from the Committee on Finance, so that we can give to the livestock producers the benefit of some quantitative restriction on imports. Let us give some protection to this segment of our economy.

Mr. President, I have pointed out on several occasions on this Senate floor that the decline in livestock prices most directly affects farm income in South Dakota. In South Dakota about 70 percent of our farm income comes from livestock production. Of this 44 percent comes from the sale of cattle and calves. When this segment of the farm economy suffers an economic decline, it affects our many small towns and cities in South Dakota.

Just this morning I received in my office the publication by the Department of Agriculture entitled "Farm Income Situation." It is another discouraging report for the farmers of America. It points out that prices for farm products averaged about 2-percent lower through the first half of this year than in the January-June 1963 period. It points out that prices for livestock and livestock products averaged 5 percent below a year earlier. This report, reaching my desk this morning, advises farmers:

Cash receipts from cattle and calves and hog marketings were lower as the drop in average prices received by farmers for meat animals more than offset a much larger volume of slaughter than in the first half of 1963.

According to this report, cash receipts for marketing of livestock and products dropped approximately \$6 million in South Dakota in the period from January to May 1964 as compared to the same period in 1963. No wonder parity is down to 74 percent. No wonder the farmers of my State are curtailing their plans for purchases in our towns and cities. Six million dollars in lost dollars is a severe blow to our economy. I only wish that on March 5 the Senate had enacted the Hruska amendment and shaved this loss to my farm constituents in South Dakota.

That is water over the dam. Today we have an opportunity to act affirmatively in the Senate in behalf of the livestock industry. Let us take advantage of the opportunity to protect private en-

terprise and strike a blow at poverty by giving the livestock producers and farmers of this country the same protection that is given to other farmers around the world by their governments. Let us by our action today erase March 5 from the record books and help this segment of agriculture to participate in our ever-expanding gross national product. Let the Senate lead the parade in taking action which will be effective and which will reverse the trend of parity from its downward spiral to its present low level of 74 percent. Let us pass this proposal in the Senate and then all of us urge our colleagues in the House to approve the provisions of this amendment so that it can go to the President to be enacted into law.

EMERGENCY TREATMENT AT WASHINGTON HOSPITALS

Mr. MORSE. Mr. President, will the Senator from North Carolina yield to me 5 minutes, so that I may discuss a very important problem?

Mr. JORDAN of North Carolina. I yield 5 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 5 minutes.

Mr. MORSE. Mr. President, it has recently been brought to my attention that several of the hospitals in the District of Columbia allegedly have not been willing to accept patients when they are brought in by emergency ambulance for emergency treatment.

I am informed, for instance, that on the evening of July 22, 1964, the Washington Hospital Center, Providence Hospital and Freedmen's Hospital emergency admitting services were closed to emergency ambulance patients. This means that an individual stricken in the far Northeast and much of Northwest Washington would have to be transported by ambulance either to District of Columbia General or Casualty Hospital, depending on whether Casualty Hospital was admitting emergency patients at that time. It also means that during rush hour and other high traffic congestion periods, that it might take from 25 to 40 minutes to get an emergency case to the emergency room of a hospital for treatment.

In my opinion, if the practice of blacking out large segments of the city to emergency ambulance cases at our hospitals is true in fact, measures must be taken at once to correct such a situation. There are cases, I am sure, where the additional period of time in transporting patients past the closest hospitals to District of Columbia General Hospital could mean the difference between life and death. Any such action cannot be tolerated.

I have asked Walter N. Tobriner, President of the District of Columbia Board of Commissioners, to investigate the matter to determine how such a procedure came into being, of private hospitals advising the District of Columbia emergency ambulance service that their doors are closed during certain periods of time.

Commissioner Tobriner assures me that he, too, is greatly concerned about

the problem, and he appreciated very much the fact that I had called it to his attention. When I told him I would present it formally today in the Senate, he said that he would look into it immediately.

Commissioner Tobriner advises me that he has requested the Acting Fire Chief and the Director of the District of Columbia Department of Public Health to investigate at once any such practice. I am informed that the matter is a very complicated one involving the District of Columbia's contractual relationship with the various private hospitals.

I understand that some of the hospital administrators say that it is a question of financing. I say to those administrators that we cannot put a dollar sign on humanitarianism. As a member of the Senate Committee on the District of Columbia, I state that we cannot justify closing the door of a single emergency section of a single hospital in the District of Columbia to an emergency case when it might mean the difference between life and death. If it is a matter of the dollar sign, the Congress had better see to it that the dollars are provided. When I think of the millions of dollars that we are wasting in foreign aid, I become greatly concerned when we deny adequate financing to meet the needs of our own people in this country in such a case as the one which I pointed out. It may be that there is much more involved than the question of financing. If such is the case, I intend to find what it is.

I raise this subject matter today on the floor of the Senate in the hope that if the practice of closing hospitals to emergency patients is a widespread practice, appropriate action should be taken on the part of the District Commissioners to curtail such practice at once.

If more funds are needed, the request for funds should be forthcoming immediately.

The hospitals should be reminded that the Federal Government has contributed millions of dollars toward the construction of District of Columbia hospitals. I believe it incumbent upon these hospitals to meet their responsibility in admitting emergency patients whenever necessary.

We should bring to an end the practice of requiring an ambulance which is almost at the corner of a hospital, having picked up an emergency case, to drive through congested traffic across the District of Columbia to deposit the patient for emergency treatment in the District of Columbia General Hospital. There is nothing humane, justifiable, decent, or right about such a practice. The time has come, if the facts are as they have been represented to me, to stop the practice immediately.

Mr. McNAMARA. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I ask for 1 additional minute.

Mr. JORDAN of North Carolina. Mr. President, I yield the Senator from Oregon 1 additional minute.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. Mr. President, I yield to the Senator from Michigan.

Mr. McNAMARA. Mr. President, I have had some experience on the District of Columbia Committee, as the Senator from Oregon knows. We considered this question 8 or 9 years ago. I assure Senators that it is not as simple as it appears on its face. The problem is not peculiar to the District of Columbia. It exists in my home city of Detroit. As the Senator has pointed out, the question of arriving at an arrangement with private hospitals is involved. In Detroit it has been done. I believe that it could be done in the District of Columbia. However, I would go a little slow, and give those involved an opportunity to arrive at a satisfactory arrangement. It is not easy.

Mr. MORSE. If the practice has existed as long as I understand it has existed, there is no reason to go slow. Rather the demand is to set up an accountable fund upon which the hospitals concerned can draw if necessary to take care of emergency cases as they arise.

I also bring to the attention of my friend from Michigan the fact that many of the emergency ambulance cases are not charity patients at all but are able and willing to pay for any care they may receive at a hospital.

Mr. McNAMARA. In conclusion, I point out that, so far as I am concerned, personnel in emergency sections of hospitals might be involved. The question of whether or not night service is available ought to be considered.

Mr. MORSE. The hospitals have emergency sections.

Mr. McNAMARA. But they are not always adequately staffed.

Mr. MORSE. The hospitals decide what cases they will take in their emergency sections.

Mr. McNAMARA. Sometimes they are not adequately staffed.

Mr. MORSE. Then we ought to see that they are staffed.

DEATH OF ADM. CLAUDE RICKETTS

Mr. SYMINGTON. Mr. President, will the able Senator from North Carolina yield to me 3 minutes on the bill?

Mr. JORDAN of North Carolina. I yield 3 minutes on the bill to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 3 minutes.

Mr. SYMINGTON. Mr. President, it was with deep sadness that all Missourians learned of the passing of my good friend Adm. Claude Ricketts, Vice Chief of Naval Operations.

Born in Greene County, Mo., and educated in the public schools of Fair Grove, Mo., citizens of our State naturally took a deep and special pride in Admiral Ricketts' distinguished naval career.

Enlisting in the Navy in 1924, Admiral Ricketts became the first and only seaman to rise to four-star admiral.

His outstanding service and dedication to his country were shown time and time

again, at such places as Pearl Harbor, where he was decorated for extraordinary courage, and throughout the Pacific, which caused him to be awarded the Legion of Merit.

Not only his deeds in battle, but also his vision as a military planner will long benefit the country he served so well. The proposed NATO nuclear surface fleet and the Navy's nuclear fleet around the world plan bear his mark.

Admiral Ricketts did much for the Navy and his country and we shall miss him.

In connection with his passing, I ask unanimous consent that an article from the Washington Post, also an editorial from the New York Times, be inserted at this point in the RECORD.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, July 7, 1964]

ADMIRAL RICKETTS DIES HERE AT 58

Adm. Claude Vernon Ricketts, 58, Vice Chief of Naval Operations and one of the architects of the proposed mixed-manned NATO nuclear surface fleet, died yesterday after suffering a heart attack.

Admiral Ricketts, the Navy's second in command and its first and only seaman to rise to four-star admiral, entered Bethesda Naval Hospital on Friday for a checkup. A cardiogram showed only a slight change from tracings made some months ago, and Admiral Ricketts had been expected to return to work on Monday.

During a 39-year career, Admiral Ricketts divided his time between sea and staff assignments. He was decorated for extraordinary courage at Pearl Harbor when his ship, the battleship *West Virginia*, was sunk by Japanese bombs.

HERO IN PACIFIC

As operations officer with the 5th Amphibious Group in the Pacific, he was awarded the Legion of Merit for "exceptionally meritorious conduct" against the Japanese in the Gilberts, Marshalls, Marianas, Volcanos, and Ryukyus.

At sea, Admiral Ricketts had firsthand experience with all kinds of combat vessels, and until his failing eyesight precluded his continuing in aviation, he was a pilot of the Navy's scouting, patrol and fighter planes.

Appointed Vice Chief of Naval Operations in late 1961, Admiral Ricketts was the chief military planner for the NATO multilateral nuclear force and its most articulate advocate. Most recently, he was one of the sponsors of the Navy's nuclear fleet around the world plan, under which three nuclear-powered Navy vessels will soon sail around the globe as a self-contained nuclear task group, free from logistic support.

ENLISTED IN 1924

Admiral Ricketts was born in February 1906, in Greene County, Mo., and attended high school in Fair Grove, Mo. and McCune, Kans.

He enlisted in the Navy in August 1924, and received an appointment-at-large to the Naval Academy a year later. He was graduated in 1929.

After Pearl Harbor, Admiral Ricketts requested that his sea duty be extended, and he spent the entire war at sea. He served aboard the battleship *Maryland* for 2 years, and then transferred to the 5th Amphibious Force.

Admiral Ricketts was operations officer for the force during the invasions of Tarawa, Eniwetok, Saipan, Tinian, Iwo Jima and Okinawa, and took part in the occupation of Japan at the end of the war.

Following World War II, Admiral Ricketts spent 3 years at the Naval War College, Newport, R.I., 1 year as a student in strategy and tactics, 2 as an instructor. From 1949 until his appointment as Vice Chief of Naval Operations, he alternated between tours of duty at sea and posts at the office of the Chief of Naval Operations.

He is survived by his wife, Margery, of 2300 E Street NW., and their two sons, both Naval officers, Lieutenant Myron V. and Ensign James B.

[From the New York Times, July 7, 1964]

ADM. CLAUDE V. RICKETTS DEAD—VICE CHIEF OF NAVAL OPERATIONS—EXPLAINED NUCLEAR-SHIP PLAN OF NATO TO GOVERNMENTS—IN PACIFIC CAMPAIGN

WASHINGTON, July 6.—Adm. Claude V. Ricketts, Vice Chief of Naval Operations since 1961, died of a heart ailment today at the Bethesda, Md., naval hospital, which he had entered on Friday. He was 58 years old.

Admiral Ricketts' chief assignment in recent years was to explain to European governments American plans for operation of a multinational nuclear force of ships bearing nuclear weapons and manned by crews from various North Atlantic Treaty Organization countries. His last sea duty was as commander of Destroyer Flotilla 4 of the 2d Fleet.

He is survived by his widow, the former Margery Bernice Corn, and two sons, both naval officers, Lt. Myron Vernon Ricketts and Ens. James Battey Ricketts.

CITED IN WORLD WAR II HISTORY

Admiral Ricketts spent more than the usual amount of time as a staff officer during his career in the Navy. He was operations officer on the staff of the commander of the 5th Amphibious Force in the Pacific during the last 2 years of the war, and his last tour of duty in the Office of Chief of Naval Operations was his third there.

Admiral Ricketts was one of the little publicized heroes of the Japanese attack on Pearl Harbor. His prior planning and independent action when his ship, the *West Virginia*, was torpedoed saved lives and helped mitigate damage to her.

The story is told in volume 3 of Samuel Eliot Morison's "History of Naval Operations in World War II."

Admiral Ricketts was then a senior lieutenant on the *West Virginia*. Unlike many of his seniors, both at Pearl Harbor and in Washington, Lieutenant Ricketts thought there was a very good chance for a Japanese aerial attack on the fleet. With three younger officers they planned what they would do if it came.

On the morning of December 7, 1941, he was aboard ship, ill. He rushed topside when the attack began and then when the *West Virginia*, torn by six or seven torpedos and two bomb hits, began to list, he directed counter-flooding operations that permitted the battleship to settle in the mud in an upright position.

He also helped organize ammunition passing details that kept the *West Virginia's* antiaircraft batteries firing even after she had settled to the bottom of the harbor. He remained aboard ship to fight topside fires and finally bring them under control.

With the *West Virginia* out of action for months, Admiral Ricketts transferred to the battleship *Maryland*, where he served the first 2 years of the war. Then he was transferred to the staff of the commander of Amphibious Group 2 and then commander of the 5th Amphibious Force.

On that staff he participated in the landings on Tarawa, Eniwetok, Saipan, Tinian, Iwo Jima, and Okinawa. Those were among the bloodiest of the Pacific war.

He served for a time with the occupation forces in Japan, then returned to the Naval War College at Newport, R.I., where he was

first a student and then an instructor from 1946 to 1949.

Among his sea commands since 1949, in addition to Destroyer Flotilla 4, were as commanding officer of the U.S.S. *Alshain* and commanding officer of the heavy cruiser *St. Paul*.

Admiral Ricketts was born in Greene County, Mo., which he still listed as his home. He was graduated from the Naval Academy at Annapolis in 1929 and won his flier's wings 3 years later. He was promoted to admiral when he assumed his post at the Office of Chief of Naval Operations in August, 1961.

[From the New York Times, July 7, 1964]

ADMIRAL RICKETTS

The spotlight of fame and the glare of publicity usually illuminate only a few of the thousands of Government officials—in and out of uniform—who serve their country quietly but well.

Such a faithful servant—but little known to the public—was Adm. Claude V. Ricketts, Vice Chief of Naval Operations, whose sudden and untimely death has deprived the Navy of one of its finest officers and most promising leaders and the Government of one of its most capable, though self-effacing, officials. Admiral Ricketts was what the services call a "workhorse." He bore many of the burdens of the Navy Department with cheerfulness and strength. He never forgot his dedication to the sea, but he approached his job first and foremost as an American officer and gentleman. He did much for the Navy and for his country.

POMME DE TERRE—A NEW JEWEL AMONG MISSOURI'S LAKES

Mr. SYMINGTON. Mr. President, some years ago it became clear that Missouri was far behind in the development of its water resources. As example, Army engineers told us in 1953 that Kansas was not less than 10 years ahead.

Except for the few projects our electric companies had been able to finance, not a single multiple-purpose dam had been constructed in our State, although Missouri has some of the richest fresh water resources of the Nation—including not only the Mississippi and Missouri, but also such important river systems as the Osage, White, Meramec, Salt, Chariton, Grand, Black, St. Francis, Gasonade, and Platte Rivers.

And now we are working hard to catch up with the rate of development of the rivers of adjoining States. And we are getting results.

One of our greatest satisfactions has been the completion of both Table Rock and Pomme de Terre Dams; the beginning of construction only this year of Stockton Dam; the authorization of construction soon to begin for the Kaysinger Bluff and Joanna Dams; and we are knee deep in efforts to bring comparable development to all the remaining river basins of our State.

What has already been accomplished to date in Missouri gives ample proof that no form of investment pays greater dividends than improvements so as to utilize to the maximum our capacity to offer industry, agriculture, and our people clean, fresh water.

A typical example is Pomme de Terre Dam, which forms our newest flood control and recreation reservoir. Communities of the Pomme de Terre Valley such

MEAT IMPORTS—WILD ANIMALS AND WILD BIRDS

The Senate resumed the consideration of the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

Mr. PASTORE. Mr. President, will the Senator yield me 10 minutes?

Mr. JORDAN of North Carolina. Mr. President, I yield 10 minutes on the bill to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, as I indicated last night, I am very much in sympathy with the objective the pending bill seeks to accomplish. I question, however, whether or not the proposed bill is one proper way to do it.

Last night I had occasion to point out the plight of the textile industry. I come from a State in which, when I was Governor, 45 percent of its gross income came from the textile industry. Even with all the attrition that has taken place in the past decade with respect to the textile industry in my State, today it still remains the largest employer. So when we lose a mill in Rhode Island, Rhode Island citizens lose jobs. We are talking about American workers.

In 1958 this entire problem came to the attention of the Congress. From that time, I have been intimately associated with the activity in the House and in the Senate with regard to the imports of textile products.

To give examples, I have in my hand only a partial list of mill closings in Rhode Island and Massachusetts. These closings mean loss of jobs to American workers.

Let me give the following list of Rhode Island mill closings and the number of employees who have lost their jobs:

Crown Worsted Mills, Providence, R.I., 175 employees.

Paragon Worsted Co., Providence, R.I., 350 employees.

Collins & Aikman Corp., Plant J, Bristol, R.I., 200 employees.

Woonsocket Spinning Co., Woonsocket, R.I., 250 employees.

Atlantic Wool Combing Co., Woonsocket, R.I., 150 employees.

Yorkshire Worsted Mills, Woonsocket, R.I., 100 employees.

Bonin Spinning Co., Woonsocket, R.I., 200 employees.

Stillwater Worsted Mills, Mapleville, R.I., 250 employees.

I also have a list of a number of Massachusetts mill closings, and the number of people put out of work. I ask unanimous consent to have the list printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MASSACHUSETTS MILL CLOSINGS

Packard Mills, Inc., Webster, Mass., plant; Caryville, Mass., plant; 750 employees, total.
Wyandotte Worsted Co., Pittsfield, Mass., plant, 500 employees.

Marland plant of the J. P. Stevens Co., Andover, Mass., 450 employees.

Grey Laine Mills, Worcester, Mass., 75 employees (estimate).

Essex Woolen Mills, Essex, Mass., 50 employees (estimate).

A. D. Ellis Mills, Monson, Mass., 475 employees.

Bernard Mills, Methuen, Mass., 100 employees (estimate).

Berkshire Woolen Co., Pittsfield, Mass., 500 employees.

Bachmann-Uxbridge Worsted Co., Uxbridge, Mass.; Uxbridge plant, 700 employees; Rivulet plant, 100 employees (estimate).

Beaverbrook Mills, Inc., Drachut, Mass., 275 employees.

East Weymouth Wool Scouring, Weymouth, Mass., 200 employees.

Bell Co., Clinton, Mass., 230 employees.

Oxford Looms, Inc., Oxford, Mass., 150 employees (estimate).

Massachusetts Mohair Plus Co., Lowell, Mass., plant, 300 employees.

Alexander Wool Combing, Lowell, Mass., 75 employees (estimate).

Rockwell Woolen Co., Leominster, Mass., 100 employees.

Franklin Woolen Mills, Franklin, Mass., 150 employees.

Sutton Mills Division, North Andover, Mass., 200 employees.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield to me at that point?

Mr. PASTORE. I yield.

Mr. JORDAN of North Carolina. I wish to associate myself with the remarks of the Senator from Rhode Island on this vital and serious subject. I know a great deal about the problem he is discussing. I know the serious damage that has been done, not only to mills in his State and Massachusetts, but to mills all over the country where textiles are involved, particularly woolen textiles. One of the largest, I believe, was located in Alabama. It closed last year. It employed more people than any other textile mill in the United States. That plant is completely liquidated. This year, the Chatham Manufacturing Co., in Tennessee, was closed as a result of the flood of textile imports into this country.

The Senator from Rhode Island has rendered distinguished service on this problem since 1958. He has held hearings all over the country. He has appealed to the Senate, the House, and the President, and has made every effort that any human being could make.

I wish to associate myself with his remarks. The problem is serious. It is becoming more serious every day. Something should be done about it. As I stated before the committee, I shall do everything I can to help him in this situation.

Mr. PASTORE. I thank the Senator.

Mr. JORDAN of North Carolina. I commend him for his remarks, and for the work he has been doing on the problem.

Mr. PASTORE. I thank the Senator.

Mr. President, realizing the plight of the textile industry in the United States, in May 1961, President Kennedy enunciated a 7-point program. One of the important elements of that program was the fact that the President called upon the exporting nations of the world to meet in an international conference in an effort to reach an understanding on a limitation of exports to the United States of textile and manmade fibers.

A conference was held with relation to cotton. A 1-year agreement was con-

summated in 1961, which expired a year later.

In 1962, that agreement was renewed for a period of 5 years, to run from the first of October 1962, and to expire on the last day of September 1967.

The cotton agreement has worked pretty well. It has not been completely satisfactory to the industry. That is understandable. But it has worked reasonably well—18 or 19 countries of the world engaged in cotton manufacturing got together and reached a reasonable agreement that there should be some kind of limitation on export of cotton goods to the United States, and that our market should not become the dumping ground for the cotton production of the entire world, thereby killing off the American cotton industry.

When it came to woolens and worsteds, those countries began to renege a little. We had been trying hard, under the administration of President John F. Kennedy, and we have been trying hard under the administration of President Lyndon Johnson, to do something about this problem. We have not come before the Senate and, tried through a legislative fiat, to institute a quota system, because we do not believe that this is the correct approach.

We still believe that is not the right way to do it. There are many ramifications to this complex problem. It is not in the interest of the United States of America for Congress to say that we should limit imports on a basis not to exceed the figures for the 5-year period from 1959 to 1963.

I do not believe it should be done through a legislative committee, and I do not believe it ought to be done on the floor of the Senate, with respect to one product, because many products are in trouble. The lumber industry is an example, as the Senator from Washington has pointed out. It is in trouble. The woolen and worsted industry is in trouble. The shoe industry is in trouble. The electronic components industry is in trouble. I am not one of those who condemn the administration by saying it is not interested in the welfare of America, or that it is not interested in American industry. I recognize that there are some sensitive sore spots in our economy caused by imports.

I hope that the administration will take the bull by the horns and make some of the exporting countries understand that an agreement must be reached on a multilateral basis. So far, that is not happening.

We have been trying for a long time, in connection with woolens and worsteds, to get Great Britain, Italy, and Japan, not to agree with us, but merely to sit down with us and discuss the problem. They have refused to do so. A short time ago our emissary returned from Great Britain and Italy with a negative answer. They will not even sit down and discuss the problem. If they persist in that attitude, there will be a continuous chain of bills such as we are now discussing.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JORDAN of North Carolina. I yield 10 additional minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, we shall be faced with the same situation in other industries and with respect to other commodities that we are now facing in connection with meat imports today. I repeat that the proposal before the Senate is not the right way to deal with the problem. We cannot possibly envision all the problems of the President. Many political situations must be taken into account. For us this afternoon to say that from now on we will not import meat into this country in excess of the average between 1959 and 1963 would be a disservice to the President of the United States, who must keep this country and the world on an even keel, and who has many sensitive questions to analyze and to solve.

It is absolutely unjust to consider only one commodity merely because, as has been said on the floor of the Senate, it involves the economy of 32 States. What I am discussing, in connection with the woolen and worsted industry, concerns the 50 States. It concerns the American people. It has a great deal to do with the fight against poverty. Where do Senators think the people come from who are out of work? Where do they come from if they do not come from the mills that have closed?

Mr. SALTONSTALL. Mr. President, will the Senator yield for a short comment?

Mr. PASTORE. I am glad to yield for a long comment.

Mr. SALTONSTALL. The Senator is discussing textiles and shoes, products manufactured in New England. Those products affect everyone. They involve the clothing and shoes that people wear. We are vitally interested in those products, just as a number of our colleagues in the Senate are interested in meat.

Mr. PASTORE. The Senator is correct.

Mr. SALTONSTALL. It is necessary to deal with these problems to the best advantage possible.

Mr. PASTORE. Yes; the point I am making is that I hope the administration will take the bull by the horns and thereby avoid bringing this kind of legislation to the floor of the Senate.

Mr. SALTONSTALL. We have been trying to get the administration to do that.

Mr. PASTORE. Yes; that is the procedure that has been followed in the textile industry.

Mr. SALTONSTALL. That is correct.

Mr. PASTORE. We have always been loath to introduce a bill to stipulate certain quotas by legislation fiat, even with respect to an industry that is so dear to us in our own States. That is why I am saying now that, while I sympathize with the objectives of the bill, I am constrained to vote against it, because this is not the way to do it.

Mr. SALTONSTALL. Yes.

Mr. PASTORE. I shall have to vote against it. My heart will bleed when I do so, but I shall have to do it, because this is not the way to go about solving the problem. What shall I say to

the man who is out of a textile job in Rhode Island? Shall I say to him that I voted for meat, but did not vote for textiles? What shall I say to the man who is out of work in a shoe factory? Shall I say to him that I voted for meat, but not for shoes?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. Mr. President, the discussion here in the Senate today goes far to point up the problems which exist in industries of importance to my State of Massachusetts and the entire New England area, such as the wool textile and footwear industries. I agree with the Senator from Rhode Island [Mr. PASTORE] that the best way to achieve results with respect to problems of these industries and with respect to meat imports is not by means of the route proposed in this bill.

Relief is requested for the cattle raisers. Certainly it is clear that steps also need to be taken with respect to wool textiles and shoes. Increasing import volumes continue to have adverse effects on these industries. The wool textile industry is one of the principal sources of manufacturing employment in my State. Textile and apparel establishments are located in over 140 Massachusetts cities and towns and employ approximately 100,000 of our people. Massachusetts is the largest producer of wool fabrics in this country and is the largest spinner of wool yarns.

Since January of 1962, at least seven Massachusetts companies have announced the closing of certain of their facilities, largely because of competition from inexpensive imports which today account for approximately 20 percent of domestic consumption.

I have joined other Senators and Congressmen in meeting with the President and administration officials to discuss wool problems and specifically to request that our Government seek an international quota agreement on wool textile products with other wool producing countries. To date we have not been successful in achieving our goal although we continue to hope that the administration will recognize the necessity for action.

Similar problems confront the shoe industry. In January of this year, nearly 35,000 persons were employed in the manufacture of leather footwear. The jobs of these people are jeopardized by the fact that in this industry also, imports are taking an ever larger share of the potential market and now account for nearly 12 percent of domestic consumption. Imported footwear products, which sell for from 15 to 25 percent below U.S. prices, have increased more than tenfold in the past 10 years. Yet no effective measures have been taken to provide relief to this industry.

In my opinion, it is time for the Government to take positive steps, to seek international agreements to provide relief for wool textiles and shoes.

The Senator from Rhode Island has been one of the leaders in New England in trying, through the State Department and through diplomatic channels, to

solve the problems affecting wool, textiles, and shoes.

Mr. PASTORE. Yes, but I am not absolving the Department of State of responsibility in connection with the bill now before the Senate. I understand that Australia made some kind of agreement on meat. All I am saying is that this is not the way to attack the problem, because this method will get us into a great deal of trouble. It would tie the hands of the President. We should not do that. I hope the President, and Dean Rusk will read what I am saying here today, because if we do not apply ourselves and do what is absolutely necessary, we shall be in a great deal of trouble. This problem will be repeated.

I say to my colleagues in the Senate that we cannot select one facet of the problem—meat imports—and say, "Let us take care of that, and forget everything else." It would be absolutely unfair to do so. My heart goes out to the cattle producers of this country. My heart goes out to the people who are interested in the contribution of this particular industry to the economic welfare of the Nation. I sympathize with them. If there were before the Senate a resolution calling upon the President of the United States to give his attention to the problem and to do something about it, within the responsibility and authority of his office, I would vote for it.

To say arbitrarily this afternoon that we will fix a quota, without knowing all the facts and without knowing the implications that are involved, is not the way to proceed.

I repeat that I am sympathetic with the objectives, but not with the procedures that are advocated here this afternoon.

We have problems. We cannot check the balance of exports against imports without being told what we are selling and buying and what we place in the various categories.

Let us not forget that if we sell \$20 billion worth of merchandise abroad and buy only \$15 billion worth of merchandise, while the balance is good, the cost in American jobs is 2 to 1 with respect to foreign jobs. Why is that? It is because the foreign industry does not pay the same scale of wages that we pay. In our textile industry the average wage is \$1.80 to \$2 an hour. The worker in Japan is paid, perhaps, 30 cents an hour; in Italy, 40 cents to 50 cents an hour; and in Great Britain, perhaps 60 or 70 cents an hour.

Actually, the \$15 billion in imports represents twice the volume of exports when we measure it in terms of jobs and not in terms of dollars. The trade balance is not good. For every job that we save abroad, two American jobs are lost. This is something that is not understood by the State Department.

I say to those in responsible jobs in the State Department and in the White House that now is the time to do something about these situations. We cannot take an arbitrary position. What we have been trying to do in the textile industry is to get the British and the Italians to sit down and to talk with us.

Only a few years ago Mr. Macmillan made a special trip to confer with President Eisenhower. Mr. Macmillan was very much disturbed about the amount of exports of fine British woolens coming into the United States. At that time there were in effect what were known as the Geneva Reservations.

The Geneva Reservations provided that when the imports of woolens exceeded 5 percent of American production, the tariff would go up from 25-percent ad valorem to 45-percent ad valorem. That was not good for the British, because all the cheap goods would come in from Italy in the beginning of the year, and the good season for the cutting of British wool was in the fall. So by the time the consumer got around to buying fall woolens, the British had already exceeded 5 percent. The British woolens, therefore, were subject to a 45-percent ad valorem duty instead of 25 percent.

What did they do? They talked about it at Bermuda. They went on television. What did we do? We removed the Geneva Reservations to help the British. We understood their problem, and did something about it.

Now we are going to them. Only last week we sent a delegation to London. We have problems, but the British will not talk to us. They will not sit down and listen. Now there is an American problem, and the British will not even discuss it with us.

I say to the members of the State Department and to the people of Rhode Island, let us not kill the goose that lays the golden eggs. What was good for Macmillan is good for us. All we are asking the British to do is to sit down and talk the situation over. Although this is a simple request, we have not been able to persuade them to do it.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MUSKIE. I commend the distinguished Senator from Rhode Island for making this point so eloquently and articulately, as he always does.

It seems to me that the pending bill concerning the meat problem is important. What we do with it is important, for two reasons, which the Senator has stressed:

First. To demonstrate to countries overseas, which do not understand that we have a problem, that we are concerned about it, and that we intend to do something about it.

Second. To impress upon the State Department and the leaders of our Government in the executive branch that Senators are concerned about these problems and intend to do something about them.

In the middle of May I had the privilege of traveling to Milan, Italy, with representatives of the American shoe industry, for the purpose of discussing with representatives of the Italian shoe industry the problem relating to shoe imports into this country. We spent 2 days talking with those gentlemen. Not until I was able to demonstrate to them by documentation that 33 Senators and 235 Members of the House were concerned about the shoe import problem did the

representatives of the Italian shoe industry agree to discuss it.

As of this moment, all they have agreed to do is talk. I have no conviction whatsoever that they intend to permit the talks to lead to results dealing with our problem.

There is a tremendous amount of pressure from the woolen textile industry, the cotton industry, and the shoe industry of this country to do something about the imports problem. I believe that one way to deal with it is through the negotiation of quotas. If we cannot make those people see our point of view, if they will not recognize our problem, we should consider the imposition of quotas.

I know that the Senator from Rhode Island has been in contact with representatives of the wool industry concerning the advisability of offering an amendment to the pending measure to deal with the woolen textile problem. I have been in contact with representatives of the shoe industry for the same purpose. Both groups are sorely tempted to pursue the legislative route this afternoon, for the purpose of adding to the meat import problem the problems of the woolen textile and shoe industries.

I have not yet decided whether I shall pursue those routes, but I wish to emphasize our concern with these problems and our determination to deal with them. If we do not offer an amendment to the pending measure to assist the shoe industry and the wool and textile industry, it will not be because we have abandoned our position, or because we have less concern about those industries than the Senators from the meat-producing States have concerning the meat industry, but rather that we are pursuing other routes that we hope will be productive. However, ultimately it may become necessary for us to follow the legislative route.

I thank the Senator from Rhode Island for yielding.

Mr. PASTORE. I would hope that if we do decide to legislate, we would include all commodities subject to the adverse effects of imports. It is necessary to consider them all as a whole. We cannot fragmentize and select one industry. I hope that will not be necessary.

During the Eisenhower administration, I voted for the Trade Expansion Act. I believe in it. I voted for the Trade Expansion Act under President Kennedy. But here and there we have problems. We have the problem with lumber. We have the problem with woolens and worsteds, with shoes and electronic components. The way to resolve these questions is to sit down and talk them over, and then reach an agreement that is mutually satisfactory.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has again expired.

Mr. PASTORE. I request another 5 minutes.

Mr. MUSKIE. Mr. President, will the Senator further yield?

Mr. PASTORE. I yield.

Mr. MUSKIE. The Senator is making a most important point; That is, that all we ask now is that other countries sit down and talk about these problems.

But the representatives of the countries with which we are competing in our own country under unfair labor conditions refuse to sit down and talk with us in any meaningful sense. That is the nub of the problem. If they would authorize their representatives to sit down with representatives of our Government and talk in a meaningful way and in good faith, that would help us to deal with the problem.

I emphasize that the problem relates almost wholly to differences in wage scales between the United States and competing countries. When the Treaty of Rome created the Common Market in Europe, one of the conditions not only implicitly but expressly stated in the Treaty of Rome was that the ultimate objective, namely, the elimination of internal tariff barriers in the Common Market countries, would not be achieved until wage conditions among those countries had been stabilized on a fair basis.

Mr. PASTORE. Yes. But there was never unfair competition. That is our problem today.

I wish to emphasize that the domestic wool textile industry has been experiencing a serious decline in the consumption of its products since October 1962.

For the 12 months ending October 1962, the U.S. wool textile industry consumed 374 million pounds of fibers; for the 12 months ending March 1964, consumption had fallen to 327 million pounds, a decline of 47 million pounds or 13 percent lower than the high point. Indications are that this decline will continue although later figures are not yet available.

This 18-month decline has taken place at a time when the U.S. economy has been expanding at an unprecedented rate for the longest sustained period in peacetime.

Wool textile mill employment and operations have reflected the decline after the usual lag. During the past 18 months, 27 mills employing 5,850 workers have closed. In the past 18 months, 5,850 jobs have been lost. These mills and jobs were located in 13 States including five New England States, Alabama, South Carolina, Georgia, Tennessee, Michigan, and Pennsylvania. The rate of mill closings has increased more rapidly in recent months. Three Massachusetts mills employing 950 workers announced liquidation during the week of May 18. Since January 1 of this year, eight mills in five States have announced liquidation, and six are in areas of substantial and persistent unemployment.

While the domestic mill consumption has declined by 47 million pounds, imports have dropped only 6 million pounds, and this is largely in semiprocessed manufactures of wool. In other words, during a period when total U.S. consumption of wool products dropped by 53 million pounds, the U.S. mills were forced to absorb 47 million pounds or 89 percent of the total decline, and foreign producers absorbed only 11 percent. It is typical of a declining and depressed market that the low-cost foreign producer is able to maintain a relatively high share. In fact, imports hold a larger share of a declining market than of an expanding one.

In the spring of 1961, when the country was in a general recession, the wool textile industry was also at a low point. U.S. mill consumption for the 12 months ending June 1961, amounted to only 316 million pounds. During the 16-month upswing ending October 1962, total consumption by the United States of wool products increased by 91 million pounds. Of this growth imports absorbed 36 percent, an unusually high ratio in an industry which itself has been plagued by overcapacity. On the downswing which followed, however, the drop in U.S. consumption was 89 percent absorbed by domestic mills, and consumption of imported goods did not dip until January of 1964, 14 months after U.S. mills had felt the pinch and after consumption had dropped by 36 million pounds or 9 percent.

The fact that foreign wool products continued to gain an increasingly large share of the declining U.S. market, is even more startling when it is recognized that in the eight major wool textile consuming countries, the consumption of wool and other fibers on the wool system rose 4 percent in 1963 over 1962. In other words, although the wool textile industries in other nations had growing, alternative markets, they nevertheless maintained throughout 1963 their level of exports to the United States.

An examination of the areas in which U.S. imports for consumption of wool products declined between the 12 months ending in March 1964, compared with the 12 months ending March 1963, shows that most of the decline was in top, yarn, and low-priced fabrics.

In spite of the large drop in U.S. consumption and the dip in imports in several areas, there were increases. Japan increased her exports of high-value fabrics to the United States by 25 percent and of medium-value fabrics by a lesser amount. She also increased her exports of woven apparel by 48 percent. Although Italy lost considerable ground in low-priced fabrics, she increased her exports of yarn and knit goods to the United States by 8.8 million square yards equivalent. The decline in imports of Italian fabrics is attributed to the declining market in the United States, the lack of demand for staple fabrics, and hand-to-mouth buying. Hong Kong also increased her knit goods exports to the United States.

This increasing share of the U.S. market taken by foreign goods can be expressed in a ratio of imports to domestic consumption. This ratio rose from 12.8 percent for the 12 months ending March 1962, to 17.9 percent for the period ending March 1963, and to 19.1 percent for the 12 months ending March 1964. In other words, the imports share of the U.S. market rose by almost 50 percent in this 2-year period—the last 18 months of which have been marked by a continuous decline in U.S. production. These ratios do not include imports via the Virgin Islands which amounted to an evasion of the current tariffs and which have been curtailed by administrative action.

The declining U.S. mill consumption and the trend of imports is graphically shown on the attached chart and tables

[not printed in the RECORD]. The significance of the chart is not that imports have dipped during the first quarter of 1964 but that they have declined so little. Imports have been maintained during the decline of U.S. mill consumption which began near the end of 1962. Unfortunately, the U.S. mill consumption decline has probably not ended.

Mr. President, in conclusion, because my time is fast coming to a close, I repeat that it saddens me to take this position but I must vote against this bill today for the reasons I have stated. I feel that this is not the way to proceed. There is a great deal to be said for the position taken by the meat and cattle industry—

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. JORDAN of North Carolina. Mr. President, I yield the Senator from Rhode Island 2 more minutes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 additional minutes.

Mr. PASTORE. I hope that responsible parties in the executive branch will listen attentively to what is said on the floor of the Senate this afternoon, and will read the RECORD carefully, because this is only the beginning. Unless some executive action is taken immediately, I am afraid of the continued adverse effect of these imports not only on the meat industry, but on the textile industry, the electronic components industry, and many other facets of American industry which have been damaged already by an unreasonable and unconscionable amount of imports. In my judgment the heads of government must negotiate and reach a reasonable understanding as soon as possible.

Mr. McGEE. Mr. President, as the Senator from the second largest wool-producing State in the Union, I cannot consider the merits of the pending legislation without being mindful of the serious import problems of the domestic textile mills and the woolgrowing industry.

As I have mentioned on this floor on many previous occasions, our domestic woolgrowing industry—so vital in Wyoming—is entirely dependent on the purchase capabilities of our textile mills. When we review the situation of the textile mills, we readily see a rapidly deteriorating situation and a rapidly rising rate of closings.

Imports of foreign wools and wool products are wreaking havoc on our own mills and just as directly on our own woolgrowers. While I will not attempt to amend the bill under consideration to include wool and wool products, I want to state in the strongest possible terms the urgency of this situation and the necessity for timely negotiations with the exporting countries leading to beneficial voluntary agreements.

This is a problem that cannot be ignored nor swept under the rug for the indeterminate future. I reiterate that the economic health of these domestic industries is failing and demands a timely and adequate remedy. I would urge upon those concerned with our

trade policies that careful attention be paid to this industry and its problems lest it be necessary to resort to the type of legislation under consideration today to bring the picture into focus.

Mr. ERVIN. Mr. President, like the Senator from Rhode Island [Mr. PASTORE], I have supported the Trade Agreement Acts since becoming a Member of the Senate, although on several occasions I have voted in vain for amendments to those acts which would have required the use of some measure of protection for American industry.

No Member of the Senate—indeed, no man in public life in America today—has fought harder than has the senior Senator from Rhode Island [Mr. PASTORE] to protect the right of American investors in the textile, woolen, shoe, and other industries to receive a fair return on their investments; the right of American manufacturers in these fields to retain a fair share of these domestic markets, and the right of American workmen to retain their jobs in these industries.

Ordinarily, I agree with the Senator from Rhode Island in these fields, but I would make a little different application of his reference to the old adage about killing the goose that lays the golden eggs.

As a result of my pleas to the State Department for some reasonable protection for the textile industry, for the woolen industry, for the shoe industry, for the lumber industry, and for the zipper tape industry, I have come to the conclusion that the geese are no longer laying golden eggs, but that on the contrary, the geese are the ones to whom the State Department has delegated the authority to devise foreign trade policies under the power entrusted to it under the trade acts.

We would have no trouble in our foreign trade if the trade acts were utilized by their administrators to effectuate the concept of Cordell Hull, when he conceived the idea of the United States making reciprocal trade agreements with other nations.

Cordell Hull said time and time again in his public utterances that the only satisfactory trade between nations in the long run is trade which is truly reciprocal, and that trade which is truly reciprocal involves, in substance, the exchange of surpluses.

He said that the United States should make trade agreements with other nations under which we would export to other nations goods which we produce in surplus quantities and under which we would import from other nations goods which we either do not produce or cannot produce effectively.

He also stated on many occasions that when we encourage importation into this country of goods which we are already producing in surplus quantities, the inevitable result is to deny to the American investor a fair return on his investment, to the American manufacturer a fair share of the domestic market, and to the American working man his job.

I intend to vote for the amendment. I intend to vote for the imposition of beef quotas, because I have prayed long and earnestly to the men in the State

Department who exercise the power to regulate our trade, under existing laws for some reasonable concern for our textile industry, our woolen industry, our shoe industry, our lumber industry, and our zipper-tape industry and in most cases I have so prayed in vain.

The Senate should pass this amendment to establish beef quotas. Unlike most of those in the executive branch of the Federal Government who have been entrusted under the Trade Agreements Act with the regulation of our foreign trade, I believe that the American Government owes a primary obligation to those who live in America, who make their investments in America, and who work in America. I am constrained to say with reluctance that many of the administrators of our foreign trade policies seem determined to assign those who live, invest, and work in America to the lowest place on the economic totem pole.

I intend to vote for the amendment; my reason for so doing is this—I believe that it is high time for Congress to make it plain to those to whom the power to regulate our foreign trade has been delegated under the Trade Agreements Act that the American Government owes a primary obligation to its own citizens. I believe that the only way we can do that is to pass a bill of this nature. I wish to add one thing more. If the administration of our foreign trade policies do not change the policies now being applied by them to the woolen industry, the shoe industry, the lumber industry, and the zipper tape industry, we should do as the Senator from Rhode Island suggests, and take some united action in these fields. When all is said, America's first obligation is to those who live, invest and work in America.

Mr. MUSKIE. Mr. President, I should like to supplement what I have stated earlier on this problem.

The PRESIDING OFFICER. How much time does the Senator from Maine request?

Mr. MUSKIE. Two minutes.

Mr. JORDAN of North Carolina. I yield 2 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 2 minutes.

Mr. MUSKIE. Mr. President, the President, the Senator from Rhode Island has very well stated the case for action to relieve the woolen industry from the threat of imports, and the economic impact of imports upon the domestic industry.

At this point, I should like to add to the RECORD as it relates to the shoe industry. Like the Senator from North Carolina, I may very well vote for the so-called meat amendment.

If I do so, it will be for the purpose of expressing my concern that action is needed, under appropriate conditions, to protect domestic industry from foreign goods which compete under unfair conditions.

I agree with the Senator from Rhode Island that, if the legislative road to relief is traveled, the legislation should be broad enough to establish appropriate criteria for relief to all import-sensitive

industries which can make a case under such criteria. The legislation before us is not such legislation; and it is an impossible task to write such general legislation on the Senate floor.

At the same time, the pending legislation is based on a concept which could be the basis for such general legislation and which gives us an opportunity to endorse that concept. If enacted, it would also establish a useful precedent.

Turning to the shoe problem, I would now like to fill out the record on its current status.

To make the RECORD complete with reference to the Milan meeting to which I earlier referred, I ask unanimous consent to have printed in the RECORD a copy of a letter which I sent to Senators from shoe-producing States reporting upon the discussions in Milan.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 3, 1964.

Hon. ————,
U.S. Senate,
Washington, D.C.

DEAR ————: Last summer, under date of July 25, 1963, you joined with me and 31 of our colleagues in requesting President Kennedy that he consider entering into negotiations with principal foreign supplying nations to establish quantitative limitations on shoe imports. As part of a program pointing toward that objective, we asked for his approval of industry-to-industry meetings between U.S. shoe manufacturers and those of the principal foreign supplying nations, especially Italy and Japan, for the purpose of discussing the problems of world trade in footwear. President Kennedy gave his approval to such meetings.

A similar request was submitted to President Johnson under date of April 24, 1964. He also gave his approval and, subsequently, Under Secretary George Ball agreed to arrange for the meetings.

The first such meeting was held in Milan, Italy, on May 19–20, 1964. The American delegation included the following: President Harold Toor, National Shoe Manufacturers Association; Roy St. Jean, chairman of the foreign trade committee of the shoe manufacturing industry; Thomas F. Shannon, Esq., counsel to the committee and the association; Iver M. Olsen, economist for the National Shoe Manufacturers Association; Bernard S. Shapiro, president of the New England Shoe & Leather Association; Alan H. Goldstein, director of the New England Shoe & Leather Association; Maxwell Field, executive vice president of the New England Shoe & Leather Association; George Fecteau, president, United Shoe Workers of America, AFL-CIO; John Mara, president, Boot & Shoe Workers Union. At the invitation of the industry representatives, I accompanied the delegation as an observer for the purpose of expressing the point of view of those Members of the Congress who have joined in appeals to the President for action in connection with the shoe import problem.

The leader of the Italian group was President Carlo Forzinetti, of Italy's National Footwear Manufacturers Association. I should point out that the Italian shoe manufacturing industry is pretty well fragmented in many small factories, including a sizable "cottage" industry. The figures we were given on the number of companies ranged from 2,000 to 5,000.

The meetings were attended by three representatives of the American Consulate in Milan as observers.

The purpose of the meetings was, as stated to the President, "to discuss the problems of

world trade in footwear." The American delegation was very careful to point out that, under our antitrust laws, it was not possible to negotiate an industry-to-industry agreement limiting Italian shoe exports to the United States; and such was not the objective of the American delegation.

The American delegation undertook to make the following points: (1) that the rate of growth of shoe imports in the American market had made a serious detrimental impact upon the American shoe manufacturing industry; (2) that the wide gap in wage levels as between the Italian shoe industry and the American shoe industry was the principal cause of this development; (3) that the problem is of very grave concern, not only to the shoe industry and labor unions, but also to 33 Members of the Senate and 235 Members of the House of Representatives; (4) that a solution to the problem must be found if increasingly serious injury to the American industry is to be avoided; (5) that it was our purpose to acquaint them with the seriousness of the problem and of our concern that an effective solution be found; (6) that the orderly marketing approach seemed to us to be the sensible one; and (7) that it was our hope that the Italians might find it in the interest of the shoe industries of both countries to urge negotiations of an orderly marketing agreement on the governmental level.

We pointed out that representatives of the wool industry in the principal wool-exporting countries, including Italy, in March of this year, had recognized "the need for the orderly development of world trade" in the products of the wool industries of all countries and the "need for an early agreement among governments covering world trade in the products of the industries involved." We urged that representatives of the Italian shoe industry give consideration to a similar understanding among the shoe-exporting countries.

Our objective at Milan was twofold: (1) To impress upon the Italians the seriousness with which the industry, the labor unions, and a large segment of the Congress view the problem; and (2) to get their agreement to participate in a consideration of the problem. Both of these limited objectives were, I think, achieved. In connection with the second objective, it was agreed that the American delegation would submit a position paper to Mr. Forzinetti not later than June 6 of this year. Mr. Forzinetti agreed that they would respond with a position paper not later than July 1 of this year. It was also agreed that this exchange would point toward another meeting to be held in September of this year.

Since our return, I have received reliable and interesting information on the reaction of one of the principal Italian shoe exporters to the meetings in Milan. He made the following points: (1) that a quota in the United States might be good protection for Italian shoe manufacturers and workers; (2) that the American delegation seemed determined to do something about the problem; (3) that the Italian Government itself has taken the protectionist line on imports of other products into Italy; (4) that no government can allow a major industry to go out of business; (5) that cheap Japanese shoe exports into the American market could well threaten the Italian share of the American market.

In brief, it is my impression that the Milan meetings resulted in some progress toward our ultimate objective. I want to take this opportunity to express my appreciation to you for having made the Milan meetings possible.

Sincerely,

EDMUND S. MUSKIE.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have printed in the RECORD a study by the foreign trade committee for the shoe manufacturing

industry, on the impact of Italian shoe imports.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE IMPACT OF ITALIAN IMPORTS

(A study by the foreign trade committee for the shoe manufacturing industry, representing the National Shoe Manufacturers Association, New England Shoe & Leather Association, St. Louis Shoe Manufacturers Association)

THE SHOE MANUFACTURING INDUSTRY IS IMPORTANT TO THE U.S. ECONOMY

There are over 1,300 factories located in over 600 communities—the vast majority of which are small towns where shoe manufacturing is the major source of income. These are located in 38 States in over 260 congressional districts.

The industry employs over 200,000 shoe workers according to the U.S. Bureau of Labor Statistics. The payroll is nearly a billion dollars a year. An additional 70,000 or more are employed in allied industries producing machines, materials, components, and supplies for shoe manufacturers. This results in shoe sales of \$4,700 million annually.

THE SHOE MANUFACTURING INDUSTRY CONSISTS PRIMARILY OF SMALL MANUFACTURERS

The shoe manufacturing industry is highly competitive, thus forcing prices to a minimum. Average employment per plant is 180-200 workers. Their take-home pay is very small. The firms are very progressive in their improvement of plant processes and products, and efficiency is greater in American shoe plants than anywhere else in the world.

Industry profits are relatively low, averaging from 1.1 to 2.5 percent after taxes. One-third of our manufacturers sustain losses each year. The percentage of net profit to sales has declined in recent years.

SHOE IMPORTS FROM ITALY HAVE INCREASED AT AN ALARMING RATE

From 1960 to 1963, over 130 percent.

From 8.2 million pairs in 1960 to nearly 19 million pairs in 1963.

Based on current trends, imports from Italy are expected to total 21.5 million pairs in 1964, and in 1967, 32 million pairs.

(A chart on imports from Italy in millions of pairs is not included in the RECORD.)

LEATHER FOOTWEAR IMPORTS ARE DUE TO LOWER ITALIAN WAGES

According to the latest information available from the U.S. Department of Labor¹, the average wage per hour (including social benefits) in the Italian shoe manufacturing industry was 55 cents per hour in 1960; 64 cents per hour in 1962; and 73 cents per hour in 1963.

In contrast, U.S. shoe manufacturing wages (including social benefits) were \$1.80 in 1960; \$1.97 in 1962; \$2.07 in 1963; and \$2.11 in 1964.

NINETEEN MILLION PAIRS IMPORTED ELIMINATED 7,600 JOB OPPORTUNITIES IN 1963

Based on latest productivity rates, imports from Italy eliminated 7,600 job opportunities in the U.S. shoe industry in 1963.

It is estimated that an additional 1,000 jobs will be lost in 1964, due to imports from Italy.

(A chart showing Italian imports eliminated 7,600 job opportunities in U.S. shoe manufacturing is not included in the RECORD.)

¹ The U.S. Department of Labor obtained its data from Rassegna di Statistiche del Lavoro, Confederazione Generale della Industria Italiana, Rome; Salaires C.E.E., Statistiques Sociales series, 1963—No. 1, Office Statistique des Communautés Européennes.

THE BULK OF FOOTWEAR IMPORTS FROM ITALY ARE WOMEN'S AND MISSES' SHOES

Imports of these types increased 205 percent from 1960 to 1963.

From 4.8 million pairs in 1960 to 14.5 million pairs in 1963.

They were 1.5 percent of a U.S. production of 320 million pairs in 1960.

They were 4.6 percent of a U.S. production of 315 million pairs in 1963.

They were 6.4 percent of a U.S. production of 86 million pairs in the first 3 months of 1964.

Based on current reports, imports of these types are expected to reach 22 million pairs in 1965, or 7.1 percent of an estimated U.S. output of 308 million pairs.

(A chart showing U.S. imports of women's and misses' shoes from Italy is not included in the RECORD.)

U.S. MANUFACTURERS OF WOMEN'S AND MISSES' LEATHER SHOES HAVE LOST THEIR GROWTH TO ITALIAN IMPORTS

The rate of growth in this segment of the industry from 1950 to 1960 was 2 percent per year. At this rate women's and misses' production should have been 339 million pairs in 1963. Actual production was 320 million pairs. However, Italian imports have taken most of its growth.

(A chart on the above subject not printed in the RECORD.)

Counsel: Thomas F. Shannon, 1625 Eye Street NW., Washington, D.C.

National Shoe Manufacturers Association: President, Harold O. Toor, Freeman-Toor Corp., New York, N.Y.; secretary, Harold R. Giblin; treasurer, Robert H. Leverenz, Leverenz Shoe Co., Sheboygan, Wis.; executive vice president, Merrill A. Watson.

New England Shoe and Leather Association: President, Bernard S. Shapiro, American Girl Shoe Co., Boston, Mass.; executive vice president, Maxwell Field; vice president, Joseph Bloom, A. Sandler Co., Needham Heights, Mass.; vice president, Robert N. Bass, G. H. Bass & Co., Wilton, Maine; vice president, Richard N. Sears, Bates Shoe Co., Webster, Mass.; secretary, Edward L. Davis; treasurer, Helmer C. Johanson, Eagle Shoe Manufacturing Co., Inc., Everett, Mass.

St. Louis Shoe Manufacturers Association: Chairman, Joseph J. Goldstein, Kalmon Shoe Manufacturing Co., St. Louis, Mo.; president, William S. Kaplan, Carmo Shoe Manufacturing Co., Union, Mo.; executive secretary, Arthur H. Gale; first vice president, Joseph G. Helmbacher, Brown Shoe Co., St. Louis, Mo.; second vice president, J. Roger Johansen, Johansen Bros. Shoe Co., St. Louis, Mo.; treasurer, Roy F. Sundling, Brauer Bros. Shoe Co., St. Louis, Mo.

Foreign Trade Committee for the Shoe Manufacturing Industry: Chairman, Roy St. Jean, Brown Shoe Co., St. Louis, Mo.; vice chairman, Alan Goldstein, Plymouth Shoe Co., Middleboro, Mass.

Mr. MUSKIE. Mr. President, I also ask unanimous consent to have printed in the RECORD a copy of the proposal which has been submitted to the Italian shoe industry, under an agreement reached with representatives of that industry. That proposal is dated June 6, 1964.

There being no objection, the proposal was ordered to be printed in the RECORD, as follows:

A PROPOSAL, JUNE 6, 1964, ASSOCIAZIONE NAZIONALE CALZATURIFICI ITALIANI FROM FOREIGN TRADE COMMITTEE FOR THE SHOE MANUFACTURING INDUSTRY, BOOT AND SHOE WORKERS UNION AND UNITED SHOE WORKERS OF AMERICA, AFL-CIO

The shoe manufacturing industry of the United States met at an important conference in Milan, Italy, on May 19-20, 1964, with

representatives of ANCI, and U.S. Senator EDMUND S. MUSKIE and Mr. Robert Collins, an official of the U.S. State Department in attendance. In accordance with the consensus reached at this conference, the U.S. shoe manufacturing industry, management and labor, submits its recommendations for a course of action to be pursued by it and the Italian footwear manufacturing industry. These recommendations are hereinbelow set forth in resolution form. Following such proposal is a statement of the U.S. industry's position.

"PROPOSAL

"Recognizing the continuing seriousness and urgency of the problems posed by developments in world trade and in the products of our industry; and

"Recalling that our President, the late Honorable John F. Kennedy and Hon. Lyndon B. Johnson, as well as 33 U.S. Senators and 235 Representatives, have expressed their intention of safeguarding our industry and the standard of living of the hundreds of thousands of men and women we employ; and

"Being mindful of the facts that in many parts of the world international trade is not conducted on the basis of normal, free, and fair trade practices; and

"Recognizing the severe competition that both our countries face from lower-wage countries such as Japan and Hong Kong; and

"Recognizing the need for the orderly marketing development of world trade in the products of our industry among all countries; and

"Desiring to develop an equitable solution of the mutual problems affecting both our countries: Therefore, we

"Resolve, (1) That the Italian shoe manufacturing industry recognize that there is a need for an early agreement among governments covering world trade in the products of our industries;

"(2) That both the Italian and U. S. shoe manufacturing industries request the prompt convening of a meeting of our governments for the purpose of concluding such an agreement; and

"(3) That each of our industries suggest to its government an agreement to cover world trade and especially U.S. imports of footwear and establish a total import share of the U.S. market at a percentage level on a category-by-category basis."

STATEMENT OF POSITION

1. U.S. imports of footwear are causing serious market disruption

Imports of footwear entering the United States have accelerated sharply in the last decade and have now reached a level that constitutes an immediate threat to the U.S. shoe manufacturing industry. The present condition is exemplified by a loss of productive growth and employment opportunities and a steady erosion of profits.

Analysis of current import levels and trends during the last 10 years fully establishes the conditions facing our industry. Footwear imports from all sources have increased by approximately 1,100 percent since 1955 and now represent a penetration equaling approximately 13 percent of domestic production. This imports-production ratio is greater than that which faced the U.S. cotton textile industry when the multinational marketing agreement was concluded. A detailed analysis of U.S. footwear imports from 1955 to the present is attached as appendix I.

Entry statistics alone, of course, do not describe the full effect of imports on the domestic industry. In view of relatively stable domestic production, the alarming increase in imported footwear represents an annual loss of approximately 35,000 employment opportunities for U.S. workers, based on current productivity, including over 29,000 such opportunities for production workers

alone. Moreover, there is a consistent trend toward the closing of shoe factories, numerically offset to some extent by openings in other areas. Those who have lost jobs by factory closings in small communities where shoe manufacturing once constituted the major, even exclusive, source of employment derive no benefit from an opening in a remote geographic area.

Consider also that approximately one-third of all leather footwear manufacturing establishments fail to show a profit each year, and that the leather and allied products industry, reflecting predominantly footwear production, has fallen to the least profitable of all U.S. manufacturing industries during this current period of high import penetration. A thorough and critical analysis of all these facts conclusively demonstrates that the U.S. shoe manufacturing industry is in serious difficulty and that sharp import increases are the principal cause.

II. Imports from Italy are a major contributing cause of the present serious condition

Italian footwear imports have paralleled and lately exceeded the overall alarming import trend. Since 1955, imports of Italian footwear have increased by more than 1,500 percent; 1963 imports represented an increase of 17,800,000 pairs over 1955. Of even greater concern to the U.S. industry is the fact that Italian footwear imports increased in excess of 250 percent between 1959 and 1963 compared with a total entry accretion of approximately 100 percent. As demonstrated by the following table [table not printed in the RECORD] nearly 19 million pairs entered from Italy in 1963; 21,500,000 pairs are expected in 1964 on the basis of current trends; and similarly founded projections indicate that by 1967, 32 million Italian imports will enter the United States:

Again, it is necessary to probe beneath these statistics to appreciate the ramifications of these imports. Most significantly, it is evident that Italian footwear imports prevented realization by U.S. shoeworkers of 7,600 employment opportunities in 1963 and estimated imports for 1964 will foreclose an additional 1,000 such opportunities.

The influence of Italian footwear is especially substantial in the women's and misses' leather shoe market. In this segment, the U.S. industry enjoyed an average annual production growth of 2 percent between 1950 and 1960, but since that time virtually all market increases have been absorbed by imports.

The U.S. industry's concern with footwear imports from Italy derives as much from the cause as the extent of such entries. Two facts predominate: (1) Footwear has always required and must continue to require high labor input and strict specifications; (2) Italian employment costs are substantially lower than those prevailing in the United States. These lower labor costs enable the Italian shoe manufacturers to sell footwear at substantially lower prices than can U.S. manufacturers and to create fashions through the use of hand labor which is prohibitive in the United States. The best available data demonstrate the following labor cost differentials:

Employment cost comparison, United States and Italian shoe manufacturing workers (1960 to 1963)

	United States	Italy
1960.....	\$1.80	\$0.41
1961.....	1.90	(¹)
1962.....	1.97	.59
1963.....	2.07	.67

¹ Not available.

NOTE.—Figures include fringe benefits.

Source: United States consul, Milano, Italy; "Rassegna di Statistiche del Lavoro," Rome, and "Salaires C.E.E.," Office Statistique des Communautés Européennes.

It is important to stress that this cost disparity will continue to be extremely wide notwithstanding the outcome of the current labor negotiations in Italy.

Taking into account the increasing trend of Italian footwear imports, its impact on the U.S. industry, and the insurmountable employment cost advantage, there is no question but that our serious concern is more than justified.

III. The United States will not permit serious injury to its shoe manufacturing industry

The U.S. shoe manufacturing industry fully appreciate the favorable U.S. trade balance in its commerce with Italy and is likewise in sympathy with a general policy of free trade. Nevertheless, it cannot accept the severe injury of the domestic footwear industry as a result of imports and it does not believe that the U.S. Government will permit this injury to continue and worsen. It is a major premise of the General Agreement on Tariffs and Trade that, although free world commerce is the fundamental objective, each member nation has the right to protect its basic industries from serious market disruption.

The shoe manufacturing industry is a basic U.S. industry which, as hereinabove demonstrated, is presently suffering such disruption. There are more than 1,300 footwear factories in the United States, located in 38 States and over 600 communities. The preponderance of these communities are small cities and towns in which shoe manufacturing is the principal, and often only, source of income. The industry itself employs more than 200,000 workers and pays wages and salaries of approximately \$1 billion per year. In addition, 70,000 persons are employed in allied industries producing machines, materials, components, and other supplies for U.S. shoe manufacturers. The industry's total sales aggregate \$4,700 million annually.

The importance of this industry to the Nation's economy is recognized by many both in and out of Government. Last year on behalf of the industry, 235 Congressmen and 33 Senators petitioned the President of the United States, asking that he initiate procedures directed toward the establishment of orderly marketing agreements in international footwear trade. Representatives of the industry and Members of Congress met with President Kennedy in October 1963, and with President Johnson in April 1964, for the purpose of explaining the full nature of the footwear import problem and seeking their support. Both leaders evidenced an understanding of the rapidly deteriorating condition of the industry and an earnest desire to offer assistance. One result of the meeting with President Johnson was the Milan conference in mid-May, organized in part through the offices of the U.S. Department of State.

In view of this demonstrable interest of the U.S. Government in the survival of a healthy domestic shoe manufacturing industry, it is not possible that the present disintegration will be long abided. One alternative source of relief is the imposition of mandatory controls; we believe, however, that a voluntary orderly marketing agreement negotiated on a multinational government-to-government scale provides the optimum solution.

IV. A multinational orderly marketing agreement provides advantages for Italian as well as United States shoe manufacturers

A voluntary multinational marketing agreement will establish a more orderly U.S. footwear market offering a share of its growth to principal foreign supplying nations. It is important to emphasize that the U.S. industry does not seek rollbacks which would substantially reduce the present level of imports

either on an overall basis or in selected categories. Such an agreement would offer the Italian industry a foreseeable long-range U.S. market for their products. This predictability would facilitate planning for the continuing development of this segment of the Italian economy.

A multinational agreement which performs takes into account the interests of all principal supplying nations would lend further stability to the Italian market share. For example, whereas Italian labor costs are substantially lower than those in the United States, Japanese costs are lower still. Accordingly, the Italian market in the United States is now severely threatened by the large volume of Japanese imports.

Japanese vinyl footwear, with an average declared value of 58 cents per pair is interchangeable on a 1-for-1 basis with many varieties of Italian and U.S. products; this type of footwear is now being imported from Japan at a level nearly three times that of 1963. Moreover, it is apparent that there has been an increase in the average value of Japanese leather footwear imports. This development, together with forecasts regarding the Japanese industry, portend a strong Japanese influence on the leather shoe market heretofore imported largely from Italy.

The situation concerning Japan is illustrative only. As the industrial capacities of the emerging nations develop it is not unlikely that they will turn first to the high labor input areas of manufacturing. An arrangement such as herein described would protect the Italian footwear industry from any severe disruption from these sources.

In addition, an agreement providing for the orderly development of world trade in footwear would eliminate the possibility of unilateral action on the part of the United States to restrict imports. With a large number of legislators concerned with the problem, the likelihood of such action is easily foreseeable should conditions deteriorate further. Moreover, the attitude of U.S. labor organizations must also be considered. The likelihood of their generating such programs as massive "buy America" campaigns would be obviated by such an agreement.

V. The proposed course of action

In view of all the foregoing, the U.S. shoe manufacturing industry, as stated above, believes that a multinational government-to-government agreement is necessary to prevent the deterioration of our market. Such an agreement should, in our opinion, cover world trade and especially U.S. imports of footwear and establish a total import share of the U.S. market at a percentage level on a category-by-category basis. In no category would a percentage be established which would effect a drastic import reduction, and provision would be made for periodic reevaluation in the face of changing market conditions. Further, this agreement would allocate the total import share on a mutually satisfactory historic basis among the principal footwear supplying nations.

In conclusion, therefore, we respectfully resolve that:

(1) That the Italian shoe manufacturing industry recognize that there is a need for an early agreement among governments covering world trade in the products of our industries;

(2) That both the Italian and United States shoe manufacturing industries request the prompt convening of a meeting of our Governments for the purpose of concluding such an agreement; and

(3) That each of our industries suggest to its Government an agreement to cover world trade and especially U.S. imports of footwear and establish a total import share of the U.S. market at a percentage level on a category-by-category basis.

TABLE I.—Footwear imports, 1955-63

Category	1955		1956		1957		1958		1959	
	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value
Men's, youths', and boys'.....	856,551	\$5,440,020	1,801,028	\$8,987,826	2,409,921	\$11,124,621	6,907,380	\$16,359,552	4,834,849	\$21,564,277
Women's, misses', and children's.....	928,193	3,391,103	1,194,778	4,051,452	2,484,501	6,603,422	9,192,345	11,526,067	6,221,748	14,313,173
Slippers.....	921,263	1,081,529	1,027,784	1,187,412	818,917	1,081,037	1,135,704	1,173,042	1,598,914	1,857,348
Moccasins.....	1,547,811	926,877	1,170,618	703,345	941,720	580,520	1,063,005	733,583	917,985	772,992
All other nonrubber.....	3,555,836	2,730,931	4,804,731	3,565,595	4,333,418	2,824,789	5,298,107	3,086,538	8,703,345	5,906,486
Vinyl supported uppers.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Rubber and simulated rubber with canvas uppers.....	115,183	152,399	433,716	343,844	1,022,647	1,122,942	3,247,741	2,429,226	12,614,104	17,105,903
Total.....	7,924,837	13,722,859	10,432,655	18,839,474	12,011,124	23,337,331	26,844,282	35,308,008	34,890,945	61,520,179
Production.....	638,203,000		652,894,000		656,725,000		650,759,000		707,670,000	
Percent of production.....	1.2		1.6		1.8		4.1		4.9	

Category	1960		1961		1962		1963		Percent change, 1955-63	
	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value
Men's, youths', and boys'.....	5,203,069	\$24,183,344	5,420,358	\$24,061,736	7,490,055	\$32,297,483	7,723,871	\$33,424,866	801.7	514.4
Women's, misses', and children's.....	7,777,444	18,920,098	9,648,436	22,981,494	13,616,388	30,285,259	18,426,804	36,335,920	1,885.2	971.5
Slippers.....	2,828,061	2,138,591	3,231,758	2,189,022	7,175,220	3,790,009	6,969,140	3,294,546	626.8	204.6
Moccasins.....	1,327,119	1,057,988	1,006,868	882,756	658,560	626,863	570,818	530,312	-63.1	-42.8
All other nonrubber.....	9,480,815	6,957,357	17,350,967	7,667,615	26,117,234	13,264,202	13,145,418	7,083,499	269.7	159.4
Vinyl supported uppers.....	(1)	(1)	(1)	(1)	27,961,212	5,694,252	16,252,784	8,856,381	(1)	(1)
Rubber and simulated rubber with canvas uppers.....	30,337,152	37,580,523	28,614,610	31,843,330	29,225,176	18,791,494	28,675,619	18,766,845	24,795.7	12,214.3
Total.....	56,953,660	90,837,901	65,272,997	91,577,953	92,243,845	104,749,562	91,491,454	108,292,369	1,051.5	689.1
Production.....	679,486,000		686,265,000		698,982,000		698,602,000		-----	-----
Percent of production.....	8.4		9.5		13.2		13.1			

¹ Not available.² National Shoe Manufacturers Association Records, Feb. 24, 1964. Data available beginning July 1962, not available previous to this time.

Source: U.S. Commerce Department.

Mr. MUSKIE. Mr. President, I want to make a final statement on this matter of import quotas as it affects the shoe industry, and in making these remarks, I want to pay my respects to the junior Senator from Massachusetts who, unfortunately, cannot be here to speak out with me on this important matter. TED KENNEDY has worked unceasingly, and with the greatest of sincerity and persistence to help our congressional delegation and the industry work out effective solutions. He has been always available for counsel, and he has given his full cooperation. I want to say to my colleagues here today, that TED has asked that he be recorded as joining in the statement I am about to make, and I thank him most sincerely for his support. We all wish him an early return to the State so we can again enjoy his enthusiasm and inspiration.

The shoe industry employs over 300,000 workers with a payroll of almost a billion dollars a year. Its sales amount to around \$4.5 billion annually. New England accounts for about one-third of domestic shoe production and earnings.

This industry is very competitive, with a low percentage of industrial concentration. At the same time, its rate of profit is far below the Nation's average, and it is operating at less than 70 percent of capacity. A 1962 study indicated an exceedingly high rate of failures for the industry.

Since 1955, shoe imports have increased by substantial proportions, and the industry is threatened by greater increases in the immediate years ahead. At the present time imports are more than 13 percent of U.S. production. It is estimated that by 1965, they will total 125 million pairs of shoes, or 20 percent

of U.S. production. Exports, on the other hand, have decreased since 1955. According to the industry, even at a 2-percent growth rate, almost 50,000 jobs will be eliminated by imports at the end of 1965. The bulk of the imports come from Japan and Italy with labor costs some 20 to 30 percent of our own costs per hour.

This is not just a New England problem, but one which is having a substantial impact on employment and earnings in over 1,300 factories located in 38 States. Many of these factories are located in small towns and cities where unemployment is already a major issue.

For several years shoe manufacturers have been battling to protect the jobs of shoe workers from a flood of imports. In leather and leather-type shoes alone imports in 1963 cost 12,000 job opportunities.

The shoe manufacturers foreign trade committee, with the support of the labor groups and congressional representatives, has sparked the following program for the protection of the American shoe industry and its workers:

First. Meetings have been held with Congressmen and Senators to inform Congress of the impact of imports on the shoe industry.

Second. An orderly marketing amendment which would slow down the growth of imports and still permit foreign-made shoes to share in the growth of the domestic market was developed and added to the Trade Expansion Act passed in 1962.

Third. A committee drive culminated in a petition to the late President Kennedy, signed by 235 Congressman and 35 Senators, urging this orderly marketing arrangement be applied to shoe imports.

Fourth. A group of congressional, management and labor representatives met with President Kennedy in October 1963, at which the industry asked: (a) that no further reductions be made in shoe tariffs in the coming GATT negotiations; (b) that an orderly marketing arrangement be developed with Japan and Italy; (c) that the State Department arrange discussions between representatives of the U.S. shoe manufacturing industry and representatives of industry and government of Italy and Japan to point out to these nations that their own best interests called for restraints on imports of footwear to the United States; (d) that the President establish an industry committee to help shoe manufacturers in their import problems; and (e) that domestic and import statistics be expanded to reflect import trends more accurately.

On April 23, 1964, a congressional, management and labor group representing shoe manufacturers met with President Johnson who reaffirmed this arrangement. The President was shown samples of imported footwear and expressed astonishment at the difference in price.

A week later congressional, management and labor representatives met with Under Secretary of State Ball who agreed to assist the industry in setting up meetings with Italian manufacturers in Italy. These meetings were held the latter part of May. The Italian manufacturers were informed of the growing concern in the United States over imports and urged to persuade their government to work out an orderly marketing program with the U.S. Government on footwear imports.

An industry representative has already held discussions with Japanese manufac-

turers and acquainted them with the growing concern in America over footwear imports from that country.

The support and encouragement given by elected representatives in Congress has been a vital factor in maintaining the interest of these foreign countries in this program.

Now Mr. President, I want to be very frank here. This industry holds just as important a place in the economy of our New England area as the meat industry does in our Western States. It has a historical significance; it has a great economic importance in our growth, and in the lives of our thousands of families who depend upon it for their necessities of living. We are not just talking here. We are doing every conceivable thing we can to promote the shoe industry, and to assist it in its honest effort to improve to the benefit of our area.

The President of the United States knows well of our efforts, and he has given us his personal help and concern for our problem. Therefore, because we have assurances from the Executive that we are being supported in our efforts to obtain a restriction of imports by voluntary negotiations, and because these negotiations are not yet concluded so we can know what to expect in the future, I am withholding an amendment seeking quotas on shoe imports for the time being.

But I want to serve warning on my colleagues, that if we do not get this matter straightened out to our satisfaction by the next session of Congress, we will, indeed, be back here on this floor with some positive legislation, with a positive program, with a constructive program, which will go to the heart of this crucial import problem. Imports are mounting. At a time when many industries in this country are growing and enjoying prosperity, the shoe industry is suffering—not because of any lack of imagination and hard work being exerted by the thousands of skilled, loyal shoe-workers and their managers, but because of the onslaught of thousands and thousands of foreign shoes being made by workers at substandard wages.

We are determined on this venture.

Mr. President, I thank the Senator from North Carolina for yielding to me.

Mr. JORDAN of North Carolina. Mr. President, I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. MONRONEY. Mr. President, I rise in support of the Mansfield amendment, of which I am a cosponsor. I doubt if those who have not been in close touch with the Western States can realize the demoralization that has occurred in a once profitable, strong, and virile industry—the livestock industry.

Few people realize the backbone that this industry furnishes generally to agriculture in a period in which row crops, small grains, and other type crops have been reduced by quota allocations. The turning over of fertile fields and farm lands to grass and the consequent grazing of livestock has helped take up the

slack in farm income. For many years the price of beef on the range was one of the most stable items of farm production. Few people realize that more than \$20 out of every \$100 realized in sales of agricultural products is derived from cattle and calves.

Therefore, any action that is taken or condoned against the cattle business sends a shock wave through the American economy as a whole. The growing threat to the beef industry resulting from imports that occurred in 1963 portends disaster for the cattle industry. Cattle-men must work, not on a 1-year basis, but on at least a 3-year cycle if they are to carry on from calves to the finally marketable beef animal with ultimate revenue value.

Illustrating further the importance of the cattle business, the live-weight sales of beef have grown from about 17.5 billion pounds in 1940 to about 38 billion pounds in 1962, or an increase in 22 years of more than 217 percent, while 50 percent of the harvested crops is fed to beef cattle and calves, and over 1 billion acres of land is used for pasture—60 percent of farms in the United States have cattle on them.

The tariff that was once 6 cents a pound was cut in half in 1947—to 3 cents a pound. This was not so bad, as beef cattle prices at that time were around \$15 a hundredweight. But as the cost of production and necessarily the price of the animals went up to around \$22 or \$25, the \$3 tax per hundredweight declined from around 20 percent of ad valorem in 1957 to only 13.6 percent in 1962. Thus, the protection of the industry has gradually been lowered to the point where the influence of tariffs against imports does not exist.

I have just received from the U.S. Department of Agriculture Economic Research Service a publication entitled "Farm Income Situation." The publication shows once again the unfavorable ratio between urban and rural incomes. It reads:

The per capita disposable income of the farm population, which is personal income after deduction of personal tax and nontax payments, was about 63 percent of that of nonfarm people in 1963.

So we are in a period of prosperity in the cities, but in the rural areas we still must battle a recession which has been brought about largely by the decline in the market value of beef animals.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JORDAN of North Carolina. Mr. President, I yield the Senator from Oklahoma 1 additional minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 additional minute.

Mr. MONRONEY. Mr. President, the glum story continues when the report deals with farm commodity receipts. It reads:

The estimated \$9.6 billion received from farm marketings of livestock and livestock products in the first half of 1964 was little different than in January-June 1963. Cash receipts from cattle and calves and hog marketings were lower as the drop in average prices received by farmers for meat

animals more than offset a much larger volume of slaughter than in the first half of 1963. Farmers' receipts from marketings of cattle and calves were estimated about \$100 million lower in the first half of this year than last. Slightly higher milk prices than in the first half of 1963 resulted in an estimated increase of some \$100 million in dairy products receipts in the first half of 1964.

In order to stay even, they had to liquidate a substantial portion of their herds; and only by selling more animals, they did manage to come out about the same.

The continued slump in the price of livestock requires action. I feel that the quota provisions established by the Mansfield amendment would do for the American cattle raiser what other nations have done to protect their agricultural incomes from devastating imports. I believe that the Mansfield amendment to the bill should be agreed to.

Mr. MORSE. Mr. President, I call up my amendment. I yield myself 10 minutes.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 21, it is proposed to strike "168,500" and insert "150,000."

Mr. MORSE. Mr. President, if I were to give a title to the speech I am about to make, it would be: "The Time Has Come To Protect the Interest of the American People First."

A very interesting discussion has taken place on the floor of the Senate today by the Senator from Rhode Island [Mr. PASTORE], the Senator from Maine [Mr. MUSKIE], and the Senator from North Carolina [Mr. ERVIN].

I say to the Senator from Rhode Island and to the Senator from Maine that I have always supported them in their endeavors to protect the legitimate interest of the textile industry of this country. I intend to continue to do so. But I cannot follow the logic of the position that because the Mansfield amendment is not all encompassing, therefore the Mansfield amendment should be defeated. We must start somewhere. We must set some precedents. We must teach some lessons. I think this is a good proposal to start with.

I also state, in partial reply to the Senator from Rhode Island [Mr. PASTORE], that I do not support continuation of the broad power that is now vested in the President of the United States in regard to the Trade Expansion Act and the Reciprocal Trade Act. No reflection is meant to be cast on any President, but we must face the facts of experience. The facts of experience show that the President of the United States needs a congressional check on his discretionary powers in this field of trade. The Presidency of the United States should not be given the broad powers that we have given in legislation now on the books in regard to foreign trade.

We have learned that the Trade Expansion Act and the Reciprocal Trade Act have not protected the best interests of the American people. I would be the first to vote again, as I did many years

ago in the Senate, for a Reciprocal Trade Act. I support the basic principles of a Reciprocal Trade Act, if it is reciprocal. But our experience shows that the American people have been played for suckers under the Reciprocal Trade Act. There has been little reciprocity in it.

We have not received reciprocal treatment from our alleged allies, particularly in Europe.

The Senator from Rhode Island emphasizes the importance of more conferences and more negotiations. The Senator from Maine [Mr. MUSKIE] gave the Senate a firsthand account of his own experiences as a member of the American delegation to Milan, Italy. I believe I paraphrase him accurately when I say that the Senator from Maine pointed out that at first the representatives of other nations did not even wish to talk, until finally the American delegation pointed out the increasing concern in the Congress of the United States about their trade policy. When the delegation started using the statistics showing that 32 Senators and more than 200 Members of the House were greatly concerned about the policies of foreign trade as being insisted upon by Italy, then and only then were the Italians willing to talk. All they have been willing to do is to talk, and not agree.

Mr. President, I suggest that we watch out for a "divide and conquer" procedure in connection with the problem here in the Senate. In my judgment, we could not make a greater mistake than to take the position that because the Mansfield bill is not all encompassing, therefore it ought to be voted down. One of the strongest reasons for passing the Mansfield bill, or a stronger bill, such as is proposed by the Senator from Nebraska [Mr. HRUSKA]—and I shall vote for it if it is offered—is to set a precedent, to teach a lesson, and to demonstrate to our alleged allies in Europe that we have had our fill of their discrimination against us in the field of foreign trade.

We have had our fill of a virtual one-way street movement in connection with reciprocal trade.

I repeat the title of my speech: "The Time Has Come To Protect the Interests of the American People First."

Last week the Congress received its answer from De Gaulle. The press conference of President de Gaulle left no room for doubt as to what his position will be concerning economic issues between the United States and France. President de Gaulle will proceed to continue the unfair discrimination that has been practiced by France for many years, particularly in the field of agricultural products—poultry, food, meats, cereals, and other such items. France has not believed in or practiced the basic principles of reciprocal trade.

Do Senators expect any successful negotiations at the State Department level with the Foreign Office of France? If so, they could not be more mistaken.

The time has also come to teach a few lessons to the U.S. State Department. The record is clear that in their various trade negotiations the economic group in America at the bottom of the totem pole is the American farmer. For 20 years I have battled in the Senate, time

and time again, seeking a square deal from the State Department in foreign trade negotiations for the American poultry industry, for the American fruitgrowers, for the American livestock industry, and for American farm products generally.

The State Department has always been willing to make agriculture in the United States the sacrificial goat in foreign trade negotiations.

I say to my good friends who think that we ought to have more talk, more negotiations, and more conferences, that the time has come for the Congress to face its responsibility under the Constitution of the United States by exercising the check which rests in the Congress in respect to stopping the discriminatory practices that are being pursued against us, particularly by our European allies.

I do not happen to be a Smoot-Hawley tariff man. Of course, when one attempts to place any protection in the law for American business or economic groups, he is charged with advocating a high tariff. A quota system is not a high tariff program. A quota system is designed to maintain an equilibrium, a fair balance, for international competition in connection with the production of goods. But if the foreign trade system enables one country to occupy a favored position whereby it can take an unfair advantage over producers in another country—that is what is happening vis-a-vis Europe in export practices and U.S. export trade practice—the time has come to stop it with a quota limitation.

I say to those concerned about textiles and shoes—and I am concerned with them—that there are some other facets of the problem that we had better consider. With whom are we competing? In many instances we are competing not only with the British shoe and textile companies, but also the French, Belgium, Dutch, West Germany, Italian, and others. In addition, we are competing with American concerns which have enjoyed a flight of capital and investment from the United States into Europe, with which they have built most modern plants. They are enjoying the advantages of a cheaper labor market, enabling them to pour their goods back into the United States, and thereby cause great harm to our own labor market. They are enjoying great tax advantages, too.

They, too, should come under a reasonably regulatory restrictive program that would carry out the objective of the title of my speech—"The Time Has Come To Protect the Economic Interests of the American People First."

Because we are a great humanitarian nation, we have rebuilt the economic power of Europe. I voted for it. I would vote for it again. I would, however, vote for some modifications in that program now, if I had to do it over again. I have heard others on the Foreign Relations Committee express the same view. I would require a larger percentage of loans under the Marshall plan. But be that as it may, I would have voted again to rehabilitate war-torn Europe, because it was in our national interest. But those we helped rehabilitate are vigorously looking after their economic inter-

ests as they see them, and at the present time that does not include freer trade with the United States.

That is why I say the time has come for us to take care of the economic interests of the American people. We shall not receive fair treatment from our allies in Europe unless the Congress, at long last enacts so-called checking legislation that will impose the necessary checks on the White House, on the State Department, and on the foreign ministries of our alleged allies in Europe.

All one has to do is to read the latest pronouncement from the lips of De Gaulle to realize that France intends to follow a policy that seeks to dominate Europe economically. He told us rather bluntly his views toward the United States. I have a little difficulty finding much brotherly alliance sentiment in the De Gaulle press conference.

But he is not alone. The Senator from Maine [Mr. MUSKIE] outlined the difficulties the American delegation had in Milan, Italy. If anyone thinks Great Britain is an economic ally in this field, he could not be more mistaken. It was very interesting to hear the Senator from Rhode Island [Mr. PASTORE] speak about the Bermuda Conference with the former Prime Minister of Great Britain. For centuries the British lion has been one of the greatest economic devourers of the trade interests and of the rights of other nations. And lions do not change so far as their appetite is concerned.

When I think of the billions of dollars we have poured into England, France, Belgium, and our other alleged allies in Europe since 1946, I think of the total foreign aid contribution on the part of the United States now in the neighborhood of \$105 billion. That is the cost of U.S. foreign aid to date.

It is particularly fitting that we should be discussing this bill as a sort of preface or introduction to the foreign aid bill that will come up later this week, for it is one of the specifics I offer as to the need for overhauling the entire foreign aid program.

Our experience shows that if we are looking to England for fair agreement in regard to foreign trade, we are looking in vain. The same applies to France or any of our other alleged allies. I do not share the view that has been expressed on the floor of the Senate that it is time for some renewed negotiations. We have talked ourselves out with our alleged European allies. The same applies to other parts of the world. The same situation exists there. I refer to Japan and elsewhere.

The time has come for the Congress of the United States to fulfill the responsibility it owes the American people to exercise its power, under the Constitution, to check arbitrary, discretionary power that has been exercised for sometime by several Presidents and Secretaries of State in the field of foreign trade. The Foreign Trade Expansion Act and the reciprocal trade program need to be checked if we are to act in consonance with the title of my speech—"The Time Has Come To Protect the Economic Interests of the American People First."

We have a specific before us. The livestock industry is in a depression. We have a livestock industry in which many feeder lots are going broke.

I see present in the chamber at this time the Senator from Wyoming and the Senator from Montana. They know where of I speak. One can go into each of their States, as well as other States, and see the results in bankruptcy and broken feedlots during the last 12 months.

It is suggested on the floor of the Senate that we ought to do some more talking and more negotiating, that we ought to obtain some voluntary agreement from our alleged allies. We are wasting our time. We tried negotiations with Australia. There were headlines. A great voluntary agreement was supposed to have been reached—until one analyzed it. It was a phony agreement, which gave to the livestock producers of this country no protection whatsoever.

No; the time has come to put some legislative checks upon the White House and upon the State Department. It was said in argument on the floor today that we should not tie the President's hands. Why not? I know of no valid argument against Congress placing legislative checks upon broad, sweeping, discretionary powers of the President. I know that in the cloak rooms it is said, "You should not do this before an election." I have rejected that argument on issue after issue. The election has nothing to do with my duty as a Senator to vote for legislation that I think the public interest calls for; and the public interest calls for this legislation.

It is said that the danger is—and I shall cover this point in a little more detail when I begin reading my manuscript—that the President might veto the bill. That is one of the great strengths of our constitutional system. The President has the power to veto it. Let him veto it and face the consequences. That is our system. If the American people approve, he will get his verdict; and if they disapprove, he will get his verdict, too.

I do not believe in periods of moratorium prior to election in respect to passing legislation which my own trust calls upon me to vote for in the Senate. I do not propose to accede to the argument that we should not pass this legislation until some time next year when I know that if we follow that course of action we shall send one feedlot after another into bankruptcy and play directly into the hands of foreign exporters who seek to take advantage of the present situation.

Now is the time to vote for legislation that will protect the economic interests of the American people first.

I wanted to make these introductory remarks to my speech, because they pertain to the remarks particularly of the Senator from Rhode Island [Mr. Pastore] and the Senator from Maine [Mr. Muskie].

As to the remarks of the Senator from North Carolina [Mr. Ervin], I want the *Record* to show that I completely agree with him. He, too, has a great concern

and interest in the problems of textiles; but he laid down a premise that I think is unanswerable—that we have an opportunity now to establish a precedent, to teach a lesson, to serve notice with respect to an industry as to which there is no doubt legislation is necessary.

The Senator from North Carolina intends to vote for the Mansfield proposal. So do I. I shall vote for a stronger proposal, if any Senator offers it, perhaps along the lines of the Hruska proposal.

I shall not vote against the Mansfield proposal on the ground that it does not cover textiles, shoes, and lumber, even though lumber is the major industry of my State and textiles are important to Oregon, too.

I have been fighting on the floor of the Senate for lumber quotas, and I intend to continue to fight for lumber quotas. The fact that we have not obtained lumber quotas is no reason for my voting against beef quotas. I intend to fight for beef quotas. Because I vote for beef quotas, I am in no way reducing my support of the lumber industry.

If we follow the theory that has been advanced by some on the floor on the Senate, how shall we ever enact any legislation which will start to protect the economic interest of the American people first? This is a starting point. I shall vote for a textile bill. I shall vote for a lumber bill. I shall vote for any bill, when the facts show that such a bill is necessary, to protect the economic interest of the American people from the kind of unfair discriminatory practices which are being leveled against us by our alleged allies in Europe and elsewhere in the world.

That part of the problem I shall develop at some length in a series of speeches in the next few days, during the consideration of the foreign aid bill. We cannot separate this title of my speech today from our legislative duty in regard to the Mansfield beef bill. The time has come to protect the economic interest of the American people first, from the entire foreign aid program of this Government, because here, too, as I shall show at some length later this week, Congress needs to place some checks on the White House, on the State Department, and on the Pentagon, too, in connection with the wasteful, inefficient, corruption-causing military aid program in many parts of the world.

We have an opportunity to do something about a segment of our economy that is in dire straits. The Mansfield amendment would do it. It has my vote; an amendment that would make it even more effective would also have my vote.

I turn now to the brief manuscript which I had prepared on this subject before I listened to my friend from Rhode Island and my friend from North Carolina. What I have said up to this point in this speech relates to their comments.

I am not in disagreement with them in their objectives in respect to textiles. They will have my support, if they will get beyond the talking stage and the proposal to engage in further talking negotiations. I say to them that they are wasting their breath. We are wast-

ing our breath in so-called international conferences on foreign trade. We have had them for years, and the American people have been taken for a ride in conference after conference.

The time has come to enact some legislation which will insure quota restrictions, necessary to maintain an equilibrium and balance in international competition which will protect the interest of the American people first.

The Senate has heard me before, in my discussion of the need for an amendment to protect the lumber industry, particularly in connection with Canadian lumber. I have not proposed to shut out Canadian lumber. I have only proposed that it come in on a basis which provides equal and fair competition with American lumber. As I pointed out in many of those speeches, the Canadian Government directly and indirectly subsidizes Canadian lumber manufacturers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SIMPSON. I yield 10 additional minutes to the Senator from Oregon.

Mr. MORSE. The time has come for us to place such restrictions on foreign trade as are proposed in the Mansfield amendment.

Mr. President, the beef import legislation is a matter of deep concern to me. I am in receipt of correspondence from a great many Oregonians, who are fearful, as I am, that unless this urgently needed legislation is passed, the beef industry in this country will be seriously endangered.

The beef import rollback provisions of H.R. 1839, as reported from committee, would provide the quotas on the importation of beef, beef products, lamb and mutton from foreign countries needed to bring these imports back to where they were a few years ago. Mr. President, let us look at the figures. In 1956 we were importing only about 200 million pounds of beef from abroad each year. Since that time our beef imports have grown until in 1963, they were in excess of 1,700 million pounds. Choice feed steer prices at Chicago dropped from \$27.67 per hundred in 1962 to \$23.96 per hundred in 1963. The committee report on the bill states:

This price data strongly suggests that imported meat has played an important part in creating the distressed market conditions in the cattle industry. The pressures on domestic prices of low-priced, foreign-imported beef discourages sale of domestic livestock and encourages their return to the range where they produce new calves and add more weight, thus intensifying the problems confronting the American cattlemen.

Although it was advised that imports of beef in the future would be restricted by voluntary agreements with major exporting countries, the committee is concerned that these voluntary limitations in large part reflect the more favorable markets for beef in Europe, and that if the present market conditions there should deteriorate, we will be faced with even greater distress in our livestock industries than is apparent now.

On the basis of information presented to the committee and data contained in the Tariff Commission report, your committee has concluded that beef imports have contributed heavily to the depressed conditions in the livestock industry and that remedial legislation is warranted.

I think it is interesting to note that the United States in the past 60 years has changed from being a net exporter of beef to becoming an importer. In 1904, cattle shipments to Europe, and principally England, reached about 600,000 head. Many young college men worked their way to Europe on cattle boats. As a matter of fact, for more than 40 years after the Civil War the United States was the principal source of beef exports to Europe. The profits from that enterprise helped to build our great cities and helped to finance the debt then held by European countries. Today, in 1963, our total livestock and livestock product exports amounted to only \$364 million, only about \$10 million more than our imports of beef and veal alone. As a matter of fact, our imports of livestock and livestock products, which amounted in 1963 to more than \$893 million, are more than double our exports. As I stated on April 3 on the floor of the Senate, in my judgment this measure does not go far enough. I would rather see the Senate support the stronger rollback provisions of the Hruska amendment, but I shall support H.R. 1839 as it is if we cannot get it further strengthened.

Mr. President, I would be less than candid if I do not tell you quite frankly that there are those in the administration who will seek to get the President to veto this act when it is passed. They rest their case upon fallacious arguments and I hope the fallacy of their position is made clear to the President.

What are these arguments?

First. They claim that the basic problem is one of domestic overproduction rather than imports. Yet it seems crystal clear to many of us that when our imports run to 10 percent of total market, this 10 percent cheap beef lowers the price structure for all choice beef.

Second. They will argue that the problem is being met through voluntary agreements with beef export countries. Let us just look at that argument for a moment. I would certainly agree with the cattlemen that voluntary agreements are a step in the right direction but it is a pretty small step. By 1966 the voluntary agreements would allow Australia, New Zealand, and Ireland to ship more beef into this country than they did in 1963. No matter how our domestic production might fluctuate these three countries would be guaranteed a 3.7-percent annual growth rate under the voluntary agreements. We ought not to forget that the Australia Meat Board and the New Zealand Meat Producers Board are semigovernmental organizations and that the voluntary agreements which were made were designed to try to take the political heat off here in the United States. But I have news for them. We may not have our steaks on the fire for a barbecue but the political frying pan is still pretty hot, and will get hotter. The major argument advanced against this legislation is that it would invite retaliation and would hurt U.S. exports of farm and industrial products to our meat suppliers. They allege that passage of H.R. 1839 would undermine our efforts to expand our trade with our friends and allies.

This is a serious argument which merits a careful analysis. First, let me say that I do not subscribe to the basic premise of the argument. I think we should take a cold, critical, factual look into what has taken place in conversations with the General Agreement on Tariffs and Trade countries, the so-called GATT countries. Our conversations so far have not helped our poultry producers. Every time I talk with orchardists in Medford and Hood River, Oreg., I find that there are in one form or another substantial barriers on the European market to Oregon apples. Oh, they do not do it through tariff barriers, but they surely do it through quotas, import licenses, variable levies and many other nontariff barriers. But they do it. They keep out our fruits.

In my judgment, legislation such as H.R. 1839 would strengthen the hand of our negotiators in the GATT talks. The State Department is trying to maintain the fiction that our efforts to establish beef quotas will damage our relationships with important friends and allies. New Zealand protects their agricultural producers with 100 percent barriers on a nontariff basis. Australia protects their producers to the tune of roughly 41 and 42 percent. Although we can produce poultry cheaper than can New Zealand or Australia we are unable to export any quantity of poultry to those markets because of their trade barriers.

In terms of my own State of Oregon, the prosperity of the eastern half of my State rests in no small measure upon the prices received by Oregon cattlemen. The dollars they get for their cattle are rung up in every store across Oregon.

There is no question in my mind that other steps will have to be taken. Enactment of H.R. 1839 provides only a part of the answer to the economic problem which threatens to force out of business many of our cattle producers.

In this connection there is a great unanswered question which must be answered. This is: Why has the American housewife not received the benefits of the lower prices paid to our cattlemen? Beef prices have remained high to the consumer while returns to the producer have been fading away. As I pointed out on April 3, these lower prices to Oregon's cattlemen show up in a \$3.39 per hundred drop, almost a 34-cent per pound decline in 1962 under 1956. This 34-cents per pound drop, unless it is checked, will bankrupt many cattle operations.

For this reason, I was most pleased to learn that on July 10, President Johnson had appointed two more public members of the National Commission of Food Marketing. One of them is Mr. Albert K. Mitchell, who is a cattleman. The Commission will consist of five Senators, five Representatives, and five public members. They will be charged with making a general study of food-marketing practices. With the appointment of a cattleman, I feel certain that the curious constancy of meat prices at the supermarket in the face of ever-dropping prices at the stockyards will receive the careful scrutiny to which the public is entitled.

But, Mr. President, action is needed now. And as a minimum step which

must be taken at this time, I urge the adoption of the beef import rollback provisions of H.R. 1839.

Mr. President, I ask unanimous consent that at this point in my remarks there be printed two articles relevant to the bill. The first is a study by Oregon State University relating to the effect on prices of beef imports and the second is an article from the July 1964 issue of the American cattleman entitled "Cattlemen Answer Importers."

There being no objection the articles referred to were ordered to be printed, as follows:

BEEF IMPORTS AND THE U.S. BEEF CATTLE MARKET

(By John A. Edwards*)

This report is concerned with estimating the effects of beef imports upon domestic cattle prices. Prior to 1958, imports into the United States of both beef animals and meat averaged about 204 million pounds annually, an amount approximately 2.8 percent of domestic beef and veal production.¹ During the period 1958-62, imports of beef have averaged 1,028 million pounds annually—equal to approximately 7.3 percent of domestic production. In 1963, preliminary estimates place imports at 1,679 million pounds and domestic production of beef and veal at 16,896 million pounds.

Recent price developments in the U.S. cattle market have stimulated interest on the part of cattle producers in the effect which this increased volume of imports is exerting on the domestic market. In 1958, the average price of U.S. Choice slaughter steers at Chicago was \$27.43 per hundredweight;² in 1963 the average price was \$23.96 per hundredweight, and in January 1964 had declined \$22.61 per hundredweight. This decline, it must be emphasized, occurred entirely in 1963, the average 1962 price being \$27.67 per hundredweight. In contrast, the average price of Utility cows at Chicago declined continuously from the 1958 level of \$18.41 per hundredweight to \$13.19 per hundredweight in January 1964.

While controversy may exist regarding the role which increased imports have played in these price developments, it is important not to overlook the fundamental change which took place in the world cattle and meat markets in 1958 creating the environment in which these events have taken place.

Prior to 1958, the domestic U.S. cattle and beef markets were protected markets. Although regulations governing the import of diseased animals and products from such animals were restrictive to some extent, the primary instrument protecting the U.S. producer from foreign competition was the existence of the United Kingdom-Australian Meat Agreement which restricted the export of Australian meats, in more than token quantities, to countries other than the United Kingdom. Modification of this agreement in late 1958 permitted greater latitude to the Australian industry in finding overseas markets for its products; i.e., it eliminated the indirect protection from foreign

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¹ These figures are based on averages for the 1932-41, 1948-57 period derived from data reported in "Livestock and Meat Statistics, 1957," Stat. Bul. No. 230, AMS, USDA, July 1958, p. 285; and "Livestock and Meat Statistics, 1962," Stat. Bul. No. 333, AMS, USDA, July 1963, p. 290.

² Price data are reported in November 1963 and March 1964 issues of the "Livestock and Meat Situation," ERS, USDA, pp. 42 and 30, respectively.

competition heretofore enjoyed by the U.S. industry. In a very real sense, the U.S. market was changed from a relatively protected to an unprotected status in 1958. Since the barriers to enter in the U.S. market are almost nonexistent in comparison to those protecting other potential markets, the United States has been the major recipient of exports from Australia under this changed market situation.³

While the world market has become more competitive on the supply side, it has become less competitive on the demand side. In addition to the efforts of the United Kingdom to stimulate livestock production at home—a major reason for the 1958 modification of the Australian agreement—the nations of continental Western Europe have maintained and, in many cases, increased the trade barriers protecting their domestic markets.

Domestically these developments may have influenced the composition of the product produced by the domestic industry. In 1957, prior to the structural change noted above, U.S. production of low-grade beef—the kind of beef which Australia is exporting—was 4,086 million pounds or 26.7 percent of total beef production; in 1962, this had declined to 2,753 million pounds—18.4 percent of total U.S. production.⁴ In the face of decline in low-grade beef production of 894 million pounds from 1957–58, cow prices at Chicago increased from \$13.61 to \$18.41 per hundredweight. Yet, a decline in production of 1,164 million pounds from 1957 to 1962 has been accompanied by an increase in price of only \$1.89 per hundredweight.⁵ As previously noted, slaughter steer prices remained essentially unchanged during 1958–62; however, they did increase from \$23.83 to \$27.67 per hundredweight from 1957 to 1962. In view of these differential changes in prices, it may not be unreasonable to argue that the over-supply of high quality beef which resulted in such drastic price reduction in 1963 and early 1964 is the result of the increased volume of imports during the preceding 5 years which served to depress cow prices. If imports had not been available, any short supply of cow beef would have resulted in higher cow prices relative to steer prices, encouraging producers to sell more cows, thereby reducing the magnitude of the increase in slaughter steer supplies, and modifying the composition of the cattle inventory on hand today.

Thus, a complete answer regarding the impact of beef imports on the domestic cattle market must necessarily consider:

1. The direct effects of increased competition in the market at a given point in time; and
2. The indirect, more subtle, effects on the historical development of the entire U.S. cattle industry.

Unfortunately, this report will not be able to contribute too much toward appraising these indirect effects. It is believed, however, that some insight into the problem can be gained from the analyses discussed in the following pages.

³ In 1958, the U.S. imported 17.7 million pounds of beef and veal from Australia. In 1962 imports from Australia were 444.9 million pounds—81 percent of the 549 million pounds of beef and veal exported by that country in that year. Source: "Livestock and Meat Situation," ERS, USDA, November 1963, pp. 35, 48.

⁴ Ibid., p. 36.

⁵ Please note that the price changes referred to here are over the 1957–62 period and, therefore, are not to be confused with the price changes from 1958–63 mentioned on page 1.

EFFECTS ON U.S. PRICES: MARKET SITUATION I

A recent publication of the Oregon Agricultural Experiment Station⁶ has been utilized to provide the basic framework of the statistical demand equation presented below. The average price received by U.S. farmers for beef cattle can be expressed as a function of the quantity of beef supplied, the level of personal disposable income, the value of byproducts, population, and the general price level. For the purposes of this analysis, the quantity of beef supplied was broken down into two classes—the amount of "steer and heifer beef," i.e., high grade beef, and cow and bull beef plus imports (adjusted to include the meat equivalent of live animals imported).⁷ The estimated equation for the period 1947 through 1962 is:

$$(1) P_t = 11.50438108 - 0.33417939 Q_t^s - 0.40867734 (Q_t^c + Q_t^i) \\ + 1.77156200 P_t^B + 0.01778187 Y_t + U_t \\ (0.0648) \quad (0.0862) \quad (0.2717) \quad (0.0033)$$

$$R^2 = 0.97795613 \\ +1.2345 = -0.798$$

Where P_t is the average price received by U.S. farmers for beef cattle, per hundredweight, year t , deflated by the Consumer Price Index for that year; Q_t^s is the quantity of steer and heifer beef supplied in year t divided by the U.S. population eating out of civilian supplies on July 1, of that year, i.e., per capita supply of steer and heifer beef, year t ; Q_t^c is the per capita supply of domestically produced cow and bull beef, year t ; Q_t^i is the per capita supply of imported beef (including meat equivalent of live animals imported), year t ; P_t^B is the value of byproducts, year t , deflated by the Consumer Price Index; Y_t is the per capita personal disposable income, year t deflated by the Consumer Price Index; and U_t is the amount of P_t which is not attributable to any of the other variables appearing on the right-hand side of the equation.⁸

According to these results:

1. An increase of 1 pound per capita in the supply of steer beef would result in a decrease in the average price of beef cattle of

⁶ Norman, D. W., Korzan, G. E., and Edwards, J. A., "Economic Analysis of Beef Cattle Prices in the United States and Oregon." Oregon Agricultural Experiment Station, bulletin 594, Corvallis, January 1964. For a complete rationale of the model specification see unpublished M.S. thesis entitled, "An Economic Analysis of Beef Cattle Prices," by David W. Norman, Oregon State University.

⁷ This breakdown has been employed by the USDA in an analysis of choice steer and utility cow prices at Chicago reported in "Livestock and Meat Situation," ERS, USDA, November 1963, pp. 35–51. Data used to estimate the equations presented herein is reproduced in the appendix.

⁸ For readers unacquainted with statistical measures of reliability, the following remarks concerning the interpretation to be attached to the estimates may be helpful. The figures appearing in parentheses beneath the several coefficients of the equation are termed standard errors. If the coefficient is more than approximately three times as large as its standard error, the probability of having obtained the estimated value, if in fact the true value was zero, is less than one in a hundred, and the estimate is referred to as statistically significant. All of the coefficients reported here are significant. The statistic R^2 can be interpreted as a measure of the proportion of the variation in P_t "explained" by variations in the other variables of the equation other than U_t . In this case 97.8 percent of the variation is accounted for by the variables. Finally, $s_{1.2345}$ indicates that approximately 67 percent of the values of U_t lie between +0.798 and -0.798. The sum of the U_t is equal to zero.

\$0.33 per hundredweight, of course, the larger the population the larger the change required in total steer beef production to bring about this result;

2. An increase of 1 pound per capita in the supply of either cow or imported beef, or a change in both resulting in a total increase of 1 pound, would result in a decrease in cattle prices of approximately \$0.41 per hundredweight;

3. An increase in the value of byproducts of \$1 in real terms (adjusted for any change in general price level) would increase beef cattle prices by \$1.77 per hundredweight; and

4. An increase of \$1 per capita in real purchasing power (consumer disposable income) would increase the prices of cattle by about \$0.02 per hundredweight.

Some idea of the success of the equation in "explaining" cattle prices can be gleaned from the data in table 1. For convenience, the actual and estimated prices are also presented graphically in figure 1 [not printed in the RECORD].

TABLE 1.—Actual and estimated average price received by U.S. farmers for beef cattle, 1947–62

[In dollars per hundredweight]			
Year	Average price of beef cattle		Difference (U_t)
	Actual ¹	Estimated ²	
1947	18.40	17.77	+0.63
1948	22.20	22.24	-.04
1949	19.80	20.23	-.43
1950	23.30	23.15	+.15
1951	28.70	29.19	-.49
1952	24.30	23.93	+.37
1953	16.30	16.86	-.56
1954	16.00	15.57	+.43
1955	15.60	15.88	-.28
1956	14.90	16.04	-1.14
1957	17.20	17.45	-.25
1958	21.90	19.97	+1.93
1959	22.60	22.84	-.24
1960	20.40	20.24	+.16
1961	20.20	20.28	-.08
1962	21.30	21.14	+.16

¹ Source: "Livestock and Meat Statistics," 1962. Stat. Bul. No. 333, Statistical Reporting Service, AMS, USDA, July 1963, p. 261.

² Estimate derived from price equation has been multiplied by the Consumer Price Index in order to express it in current dollars directly comparable with the actual prices shown in col. 2.

Two assumptions implicit in equation (1) (not printed in the RECORD) should be noted. The first of these is that the supply of beef coming on the market in any one year is a predetermined variable, i.e., supply is not a function (does not depend upon) current price in the market. In particular it means that the quantity of imports arriving in the U.S. market in a given year is determined independently of the U.S. market. This, in turn, implies that imports to the U.S. market occur as a result of overproduction in the exporting country; not as a result of insufficient supply in the importing country. If such indeed were the case, ownership of beef imports would logically reside in the exporters of those supplies rather than the importers at the time of shipment from the exporting country. In other words, importers are not actively soliciting supplies in overseas markets because, under this assumption, the quantities supplied by the domestic industry would always be sufficient to meet the desired level of supply. Under these circumstances, imports are always competitive with domestic supplies, and an increase in imports will always depress domestic prices. Conversely, a decrease in imports will serve to raise domestic prices.

The second assumption which deserves emphasis is that of perfect substitution between domestically produced cow beef and

offshore beef of similar quality. In simple terms, this implies that a given decrease in domestic cow beef production will have no effect upon the average price of all domestically produced cattle if it is accompanied by an increase of equal volume in the quantity of beef imported. Furthermore, the rate at which beef from these two sources can be substituted for one another is independent of the volume of either of them, i.e., the effect upon price of a given increase in imports will be the same when the production of domestic cow beef is equivalent to one pound per capita as it will be when domestic production is a hundred, or a thousand, pounds per capita.

The consequences of these assumptions are indicated in table 2, where the effects on the average U.S. farm price of cattle attributable to the actual changes in the variables determining price, according to equation (1), are indicated for the period 1957-62. In each case, it is assumed that all of the other variables had remained at their

levels of the previous year. Of the \$3.10 per hundredweight increase in average farm price which occurred from 1957-62, increased real income accounted for \$1.81 of the increase; increased byproduct values raised prices by \$0.83 per hundredweight; and the decrease in domestic cow beef supplies resulted in an increase in price of \$3.39 per hundredweight. Price decreases of \$1.36 and \$2.41 per hundredweight can be attributed to increases in steer and heifer beef production and imports, respectively. Changes in unspecified factors accounted for the difference between the actual and estimated price increase of \$0.76 per hundredweight. The net direct effect of changes in the market structure since 1957—primarily the unrestricted imports of beef into the domestic market—has been to increase cattle prices by \$0.98 per hundredweight through 1962. This has been the consequence of a greater reduction in domestic cow beef production on a per capita basis rather than the accompanying increase in import volume.

tion since 1957 was the consequence of decreased cow slaughter brought about by the depressing effect of imports on cow prices);

3. A decrease of \$1.05 per hundredweight (if the domestic production development would have been forthcoming even in the absence of any increase in imports, i.e., if the domestic industry were in fact producing exactly the amount demanded by the market); and, finally,

4. A decrease of \$3.38 per hundredweight (if the domestic industry had supplied the quantities of low-grade beef in excess of the 1957 import level which the market in fact absorbed in each of those years).

Once the possibility of supply response in competitive products is admitted, the estimated effects of imports on domestic cattle prices become even more indeterminant. In attempting to choose among the more specific estimates listed above, the first alternative can be dismissed without too much concern since it is based upon assumed conditions which are patently incompatible with the historical developments of the 1957-62 period. Thus, the most probable effect of imports on domestic prices has been to depress those prices by an amount ranging from \$0.38 to \$1.05 per hundredweight.

The estimated effects defined in this section have been obtained on the basis of the assumptions described on page 8. This is not entirely true of alternative effect (4) which is based on the assumption that total low-grade beef supply (i.e., the sum of both domestic production and imports) was the equilibrium level of supply, rather than merely that portion of the supply originating domestically. The postulated effect, however, is contingent on the possibility of the domestic industry to provide such a level of supply in the absence of imports. Another way to say the same thing would be to say that the only reason that the domestic industry failed to produce this supply is that it was unable to compete successfully with the import sources for the superior market alternative in its own market. Consequently, it had to settle for the second best—the marketing program which the domestic industry did in fact follow subsequent to 1957. If this indeed were the case, it speaks ill for the economic efficiency of the U.S. cattle industry and its associated suppliers.

For convenience, the marketing situation in which these two assumptions are valid (that is, domestic market equilibrium-external disequilibrium, and constant rates of substitution in the domestic market between domestic and imported low-grade beef) will be referred to as market situation I. It is worthwhile to attempt to measure the import-price effect under somewhat different assumptions if only to obtain some idea of how much one is paying for the convenience which these two assumptions provide.

EFFECTS ON U.S. PRICES: MARKET SITUATION II

The economic environment for the previous discussion of beef imports was assumed to be one of internal equilibrium and external disequilibrium. In the analysis developed in this section, the environment will be assumed to be characterized by internal disequilibrium. Reference to figure 2 [not printed in the RECORD] may be helpful in grasping the meaning of the phrase "internal disequilibrium" in the context of the cattle market.

In figure 2, the sloping line labeled D , represents the demand function in the market for beef; any point on the line represents the maximum quantity of beef which the market will absorb at the corresponding price, e.g., when the price is equal to P_1 the market will absorb no more than an amount indicated by the intersection of the vertical line S_1 with the quantity axis. Demand can also be defined, in a converse sense, as a

TABLE 2.—Observed changes in price-determining variables in adjacent years and their estimated effects upon the average price received by U.S. farmers for beef cattle

Variable	Year				
	1957-58	1958-59	1959-60	1960-61	1961-62
Change in Q^cpounds.....	-3.0	+1.0	+5.3	+3.0	-2.0
Effect on price.....dollars.....	+1.00	-.33	-1.74	-1.00	+.67
Change in Q^spounds.....	-5.7	-2.1	+.5	-1.7	+.7
Effect on price.....dollars.....	+2.33	+.86	-.20	+.69	-.29
Change in Q^hpounds.....	+3.6	-.1	-1.9	+1.8	+2.5
Effect on prices.....dollars.....	-1.47	+.04	+.78	-.74	-1.02
Change in (Q^c+Q^s)pounds.....	-2.1	-2.2	-1.4	+.1	+3.0
Effect on price.....dollars.....	+.86	+.90	+.58	-.05	-1.31
Change in P^hdo.....	+.39	+.55	-.95	+.25	+.23
Effect on price.....do.....	+.69	+.97	-1.68	+.44	+.41
Change in Ydo.....	-27.50	+63.10	-1.00	+24.10	+47.00
Effect on price.....do.....	-.49	+1.13	-.02	+.43	+.84
Total estimated change in price.....do.....	+2.06	+2.67	-2.86	-.28	+.61
Actual change in price.....do.....	+4.70	+.70	-2.20	-.20	+1.10
Change in price due to changes in Consumer Price Index. Population and unspecified factors (U).....dollars.....	+2.64	-1.93	-.66	-.08	+.49

However, one must also recognize that increased imports have also had an indirect effect. Insofar as the reduction in domestic cow beef production has been in response to the depressing effect of imports on cow prices—an effect well demonstrated by the U.S. Department of Agriculture analysis of the effect of imports on Choice slaughter steer and utility cow prices at Chicago⁹—some of the increase in steer beef production can be attributed to imports and, consequently, some portion of the decrease in price resulting from such an increase in supplies must be debited against imports. While no attempt has been made to estimate this indirect effect, it can be assumed that it must lie in the range between nothing and a price-decreasing effect of \$1.36 per hundredweight, representing no supply response and a 100-percent response, respectively. Thus, the sum total of direct and indirect price effect as a consequence of the increase in imports lies in the range from $-\$0.38$ to $+\$0.09$ per hundredweight.

The above conclusions are predicated on the assumption that cow beef production has been adjusted as a consequence of imports entering the U.S. markets. If one were to assume, however, that the observed changes in cow beef production would have occurred even if imports had not increased, domestic cattle price would have been approximately \$1.05 per hundredweight higher in 1962 if imports had been maintained at the 1957 levels.

Finally, if it is assumed that the domestic cattle industry had supplied sufficient cow beef to make the total supply of low-grade beef in each year since 1957 equal to the actual supply, it is estimated that the average

price received by U.S. farmers in 1962 would have been approximately \$3.78 per hundredweight higher.¹⁰ This estimate is derived from equation (1) after estimating the per capita supply of steer and heifer beef which would have been available in 1962 if cow slaughter, had increased sufficiently in each of the years 1958 to 1962 to offset the loss of all increases in imports since 1957. Of course, this estimate is based upon a sizable decrease in steer beef production. Available data do not permit one to determine whether the estimated increase in price is sufficiently great to compensate producers for the reduction in marketing entailed. The reader is cautioned not to place too much confidence in this estimate.¹¹

To summarize then, imports may have had any one of the following effects on domestic cattle prices:

1. An increase of \$0.98 per hundredweight (if domestic producers adjust cow marketings in response to increases in imports, without increasing steer beef production thereby);
2. A decrease of \$1.05 per hundredweight (if the observed increase in steer beef produc-

⁹ Details of the method employed in forming this estimate are presented in appendix B.

¹¹ An additional factor which has been ignored in the above estimate is the degree to which consumers would have been able to substitute such substitutes for beef as pork, lamb, and mutton, poultry and other close meat substitutes. Because of the relatively shorter time periods required to increase the output of these products, it is conceivable that much, if not all, of the indicated increase in cattle prices would have been forestalled by the substitution of nonbeef meat products for beef.

⁹ Op. cit., p. 41.

schedule of the maximum prices at which specified quantities will be absorbed by the market during the specified time period, t . It is important to realize that the function D_t separates attainable price-quantity combinations from unattainable combinations. Thus, a combination such as that indicated by the point "a" is possible, but point "G" is not.

The vertical line S_t^* is intended to indicate the amount which sellers in the market would like to have available in the market at time t . The rationale of this function is founded on the idea of seller profit maximization. If, for the moment, we assumed that sellers knew both the demand for their product and the costs involved in selling that product, there would be some combination of quantity and price at which profits would be a maximum. Under competitive market conditions, of course, knowledge of demand on the part of the individual seller is restricted to market price only, and therefore these assumptions may appear to be unrealistic. However, the behavior of an aggregate of such sellers attempting to maximize profits may closely approximate the condition imposed by these assumptions. A supply function such as S_t^* will be referred to as "desired supply"; it can be described by a single variable such as P_t^* —the price at which seller profits will be maximized and which, once attained, will be maintained as long as the conditions affecting demand and cost remain unchanged. In this sense, then, P_t^* can be referred to as "equilibrium price."

The meaning of internal equilibrium used in reference to market situation I above can be stated very simply in terms of figure 1. The assumption there was that the actual market supply at each and every point of time t was equal to supply, i.e., that $S_t = S_t^*$ where S_t stands for actual supply at t . It is clear, then, that (1) any increase in $(Q_t)^s$ as a result of imports would depress market prices, and (2) that such an influx of imports must have originated outside the market. This latter point is apparent when one recalls the definition of desired supply and equilibrium price given above.

Let us suppose, however, that domestic supplies are in fact less than desired supply, e.g., S_t (fig. 2). This situation is referred to as a disequilibrium situation. That it is a disequilibrium will be clear if one considers the probable course of events as it becomes apparent that S_t is less than S_t^* :

1. Sellers initially set price at P_t^* anticipating that they sell S_t^* at that price, thereby maximizing profits;

2. However, at a price P_t^* more of the product is demanded than sellers can supply and, consequently, inventories are drawn down at a faster than anticipated rate;

3. In order to protect their inventory position, or whatever other indicator which sellers may use as a measure of stability¹² sellers raise prices;

4. This process is continued until prices are high enough to equate demand with available supply. This final price is indicated in figure 2 by P_t .

It is customary among economists to assert that the new price is an equilibrium price because supply is now equal to demand. However, this is not true under the assumptions of this analysis because sellers' profits are not maximized at P_t but, as previously indicated at P_t^* . Therefore, if it is possible for sellers to obtain sufficient additional

supplies to supplement S_t they will do so because in this manner they can increase profits.

One way of increasing supply beyond the domestic supply, S_t , is through imports. Let us assume that given S_t , sufficient imports are obtained to increase total supply to S_t^* . The market is now in equilibrium. Has the market price P_t^* been depressed? Obviously not, since it was the initial price in the market. What has happened, however, is that price did not increase from P_t^* to P_t . It seems reasonable to assert that starting with domestic disequilibrium, imports do not depress domestic prices as long as they do not exceed the volume required to equate actual with desired market supply. Imports in excess of this amount, however, do serve to depress prices.

Before proceeding to consider the implications of a market situation it may be well to emphasize two points:

1. The existence of imports is the consequence of a failure on the part of the domestic industry to supply the market demand. This is not stated in any sense as an accusation because the motivations which led to the initial disequilibrium are not known; and

2. The economic gains from imports are enjoyed not only by the exporter, but are shared by the importer and the final consumer of the product as well. The importer benefits through increased profits, and the consumer benefits in being able to consume more product at a lower price.

This market situation has been expressed mathematically in the following system of equations:

$$(2) P_t^* = A_0 + A_1 Q_t^s + A_{21}(Q_t^I + Q_t^c) + A_3 P_t^B + A_4 Y_t$$

$$(3) A_{21} = G_1 Q_t^I$$

$$(4) Q_t^I = C_0 + C_1(P_t - P_t^*)$$

Equation (2) represents the demand function at time t . Its position varies with changes in the value of byproducts and consumer income. Equation (3) reflects the assumption that the response in market price to a given change in the total supply of low-grade beef depends upon the magnitude of the disequilibrium existing in the market. Equation (4) defines imports as a measure of the extent of the disequilibrium.¹³

P_t^* is, of course, an unobserved variable. Consequently it becomes necessary to combine these three equations into some combination involving only observable variables if statistical estimation is to be undertaken. This was accomplished in this case by re-writing equation 4:

$$(4') P_t = \left(\frac{-C_0}{C_1} \right) + \frac{1}{C_1} Q_t^I + P_t^*$$

and substituting equation (2) defining P_t^* into the right-handed side after inserting the definition of A_{21} from equation (3).¹⁴ The statistically estimated function is:

$$(5) P_t = 22.42234538 - 0.40314183 Q_t^s \\ - 0.08267041 Q_t^I (Q_t^I + Q_t^c) + 2.59834616 Q_t^I \\ + 1.11127030 P_t^B + 0.00870322 Y_t \\ + U_t \\ R^2 = 0.098949929 \\ *1.23456 = 0.578$$

The variables involved have been defined previously.

¹³ The constant, C_0 in equation (4) represents "autonomous" imports—imports which would have occurred regardless of domestic market conditions. Such imports may consist of specialty products and other beef products not domestically produced.

¹⁴ The estimating equation fails to meet the usual assumption of least-squares analysis if equation (3) is assumed to be stochastic, in that the combined error will include a term involving the independent variable $(Q_t^I + Q_t^c)$.

A comparison of the statistical measures of reliability from equation (5) with those of equation (1) indicates that, from a statistical viewpoint, both equations are of almost equal value.¹⁵ Any advantage must be given to equation (5) since it succeeds in "explaining" 60 percent of the variation in P_t which equation (1) failed to explain. The estimated prices from (5) are shown in table 3 and figure 3 [fig. 3 not printed in the RECORD].

TABLE 3.—Actual and estimated average price received by U.S. farmers for beef cattle, 1947–62

Year	Average price of beef cattle		Difference (U)
	Actual ¹	Estimated ²	
1947.....	18.40	18.10	+0.30
1948.....	22.25	22.85	-.60
1949.....	19.80	19.92	-.12
1950.....	23.30	22.99	+.31
1951.....	28.70	28.58	+.12
1952.....	24.30	24.07	+.23
1953.....	16.30	16.68	-.38
1954.....	16.00	15.93	+.07
1955.....	15.60	16.01	-.41
1956.....	14.90	14.93	-.03
1957.....	17.20	16.83	+.37
1958.....	21.90	21.01	+.89
1959.....	22.60	23.24	-.64
1960.....	20.40	19.72	+.68
1961.....	20.20	20.54	-.34
1962.....	21.30	21.68	-.38

¹ Source: "Livestock and Meat Statistics," 1962. Stat. Bul. No. 333, Statistical Reporting Service, AMS, USDA, July 1963, p. 261.

² Estimates derived from price equation (5) have been multiplied by Consumer Price Index in order to express in current dollars.

Solution of the equations defining the reduced-form parameters which have been estimated, yields the following empirical counterpart to the system of equations (2)–(4):

$$P_t^* = A_0 - 0.40314183 Q_t^s + A_{21}(Q_t^I + Q_t^c) + \\ 1.11127030 P_t^B + 0.00870322 Y_t \\ A_{21} = -0.08267041 Q_t^I \\ Q_t^I = C_0 + 0.38486019 (P_t - P_t^*) \\ C_0 = 0.38486019 A_0 - 8.62946810$$

The effects of year-to-year changes in all of the variables with the exception of Q_t^I and Q_t^c upon prices can be estimated from equation (5) in the same manner as they were from equation (1) for market situation I. These effects are shown in table 4 for the years 1957–58 through 1961–62:

TABLE 4.—Estimated effects of observed changes in selected variables upon the average price received by U.S. farmers for beef cattle

Year	Effect on price of change in—		
	Q_t^s	P_t^B	Y_t
1957–58.....	+1.21	+0.43	-0.24
1958–59.....	-.40	+.61	+.55
1959–60.....	-2.10	-1.06	-.01
1960–61.....	-1.21	+.28	+.21
1961–62.....	+.81	+.26	+.41

The estimates presented in table 1 indicate that the estimated effects are greater for changes in steer beef production (Q_t^s) in market situation II than in situation I. Changes in byproduct value and disposable income have smaller impacts on price.

In interpreting these figures an example or two may prove helpful. In 1959, existing market conditions at the beginning of the marketing year made additional imports at

¹⁵ The coefficient of Y is significant at the 5-percent level; all others at the 1-percent level.

¹² Since the sellers in this market are not producers, it is probable that the first indication which they receive of deficient supplies is an increase in the wholesale prices which they have to pay brought about by competition among themselves for the restricted supply. These increases in costs are then passed on to consumers in whole or in part.

that time price depressing. By the end of the marketing year, however, market changes occurring during the course of the year were such that imports were no longer price depressing. In 1962, the reverse situation prevailed. Then, a positive effect can be interpreted as indicating the existence of a shortage of low-grade beef in the market. The magnitude of the effect indicates the inflationary pressure being exerted on domestic cattle prices. A negative effect indicates an oversupply of low-grade beef. The magnitude of this effect indicates the deflationary effect of excess supplies on domestic cattle prices.¹⁶

An alternative way of determining whether or not imports in a given year were depressing on domestic cattle prices is to set equation (7) equal to zero, and solve for Q_i^I using the actual value for Q_i^C . The resulting value of Q_i^I will be neither price depressing nor price inflating. If actual imports are greater than the computed value, imports were price depressing. If they were less than the computed value, imports did not affect cattle prices. The results of such computations are shown diagrammatically in figure 4. The diagonal lines running from the vertical to the horizontal axis represents the various combinations of Q_i^C and Q_i^I satisfying the equation:

$$(8) Q_i^I = \frac{1}{2} (31.4318 - Q_i^C)$$

which was obtained from equation (7) in the manner prescribed. The various combinations of Q_i^C and Q_i^I occurring during the period 1947-62 are plotted as points in the field. If a particular combination lies on the diagonal line, it would be consistent with market equilibrium. If it lies below the line, a situation of deficit supply in the domestic market is indicated. If the point lies above the line, a condition of excess supply existed in the market. The excess supply can be removed by any combination of reduction in Q_i^C and Q_i^I which would place the point on the diagonal line. It is apparent that of the 16 years indicated, market equilibrium occurred in only 1 year—1955. In only 3 years were imports price depressing—1957, 1958, and 1962.¹⁷

A comparison of the estimates of import-price effects under the different market situations during the period 1958-62, reveals some apparent discrepancies. In market situation I, the direct effect of the increase in imports from 1960 to 1961 was estimated to have depressed prices by \$0.74 per hundredweight (see table 2). In contrast, the analysis of market situation II (table 5) shows that the increase in imports was not price depressing. It will be noted, however, that the magnitude of the inflationary pressures in the market was reduced.

The problem of evaluating the price effect of changes in domestic cow beef production and imports is somewhat more involved in the case of situation II than it was in situation I. In the latter, a given change in either Q_i^I or Q_i^C or their sum, would always have the effect of changing price by a constant amount. For example, a 1 pound per capita increase in any of these three variables would decrease price by approximately \$0.41 per hundredweight, i.e., the marginal price effect of a one unit change in Q_i^C , Q_i^I , or $(Q_i^C + Q_i^I)$ was always equal to -0.40867734

cents per hundredweight. In contrast, the marginal price effects of Q_i^C and Q_i^I in situation II are functions of the levels of Q_i^C and Q_i^I from which the change occurs. The equations defining these effects are:

$$(6) \text{ For changes in } Q_i^C: \frac{\partial P}{\partial Q_i^C} = -0.08267041 Q_i^I^{18}$$

$$(7) \text{ For changes in } Q_i^I: \frac{\partial P}{\partial Q_i^I} = 2.59834616 - 0.08267041 (2Q_i^I + Q_i^C)$$

As long as the quantity of imports remains unchanged, the effect of a given change in Q_i^C is constant. The same cannot be said of the effect of a given change in imports. As soon as Q_i^I changes, the magnitude of the price effect also changes. Since the volume of imports has been postulated to depend upon the difference between actual and desired cow beef production, it has been concluded that the appropriate indicator of import impact is to compute the marginal price effects at the beginning and conclusion of a given marketing year. These estimates are presented in table 5:

TABLE 5.—Marginal import-price effects at beginning and ending of marketing years, 1957-62

Year	Marginal import-price effect at— [In dollars per hundredweight]	
	Beginning of year ¹	End of year ²
1957-----	+0.1667	-0.0253
1958-----	-.0253	-.1473
1959-----	-.1473	+.0429
1960-----	+.0429	+.3158
1961-----	+.3158	+.1597
1962-----	+.1597	-.2817

¹ Computed from equation (7) using previous year's values of Q_i^C and Q_i^I .

² Computed from equation (7) using current year's values of Q_i^C and Q_i^I .

While there are no other directly contradictory results, the magnitudes of the price effects under alternative I are consistently greater than under situation II. The exception occurred during 1959 when the estimated effect under I was to all intents equal to the inflationary pressure indicated in table 5.

Although these results may appear to be contradictory, they are exactly what one could expect as a result of the specification of the market situations. During 1961, the assumption of domestic market equilibrium (situation I), disturbed by an increase in import volume, leads automatically to a reduction in cattle prices. Under situation II, an increase in imports will not necessarily depress prices. The extent of the market disequilibrium in 1961 was sufficiently great to permit the market to absorb the increased import volume without depressing price, thereby moving the market closer to an equilibrium position.

Similar interpretations are in order for the other results observed. The increase in import volume in 1958 which resulted in such a large decrease in cattle prices under situation I, was only partially deflationary under situation II. A large part of the increase in import volume which occurred was absorbed in moving from a market disequilibrium position to one of equilibrium. Only after these market needs were met could imports become price depressing.

Obviously, the conclusion which one reaches concerning the effects of changes in import volume on cattle prices in the U.S. market depends upon the assumptions which one is willing to make as to the motivations

of the buyers and sellers in the market, both domestic and foreign. Only two of many possible assumptions of market performance have been discussed here. To be more exact, only one market mechanism has been employed since market situation I is merely a special case of the more general formulation referred to as market situation II. In view of the more general nature of the latter model, and the more realistic nature of the assumptions involved, one may wish to use caution when embracing the conclusions of an analysis as simple in conception as that involved in market situation I.

APPLICATION TO IMPORT POLICY

In concluding this report, a brief note concerning the possibility of using the model embodied in equation (5), or one with similar properties, in reaching decisions regarding beef import policy may be in order. Assuming that some system of import quotas might be adopted by the U.S. Government, the question arises concerning the level at which such quotas should be established. Although many criteria may be employed in making this determination, one set which has a number of desirable features would be that the quota established should provide that:

1. Producers should not be subjected to competition from imports which are price depressing, but at the same time,

2. Income transfers from other agents in the marketing system and/or from consumers to producers as a consequence of inadequate market supplies should be avoided.

Such a quota, naturally, would have to vary with changing conditions of supply and demand in the domestic market if these objectives were to be met.

The criteria stated above are essentially those conditions which satisfy market equilibrium in market situation II discussed above. To implement such a policy, the Federal agency empowered to set the quota would first make an estimate of the per capita supply of domestic cow beef for the quota period. Then equation (8) could be used to determine the per capita supply of imported beef required to make the marginal import-price effect equal to zero. Converting this per capita estimate to total volume by multiplying by population would establish the quota.

Periodic recomputation of equation (5), substituting data as it becomes available for the observations most distant in time; e.g., 1963 data included and 1947 data removed when estimating the 1964 quota, would serve to prevent the livestock industry and consuming public from becoming shackled to some historical base not necessarily characteristic of the changing world of consumer taste and production technology.

An example of how such a procedure would have operated during the period commencing in the fourth quarter 1961 through fourth quarter 1963 has been worked out for illustrative purposes. Quarterly data on number of cattle slaughtered, etc., were employed to obtain estimates of quarterly cow beef production which were multiplied by 4 and divided by U.S. quarterly population eating out of domestic food supplies. The resulting estimates indicated the annual rate of per capita cow beef production in each of the nine quarters under consideration. These estimates are presented in table 6, together with the estimated equilibrium level of per capita imports (Q_i^{I*}) computed from equation (8). In the fourth column, Q_i^{I*} has been converted to total pounds by multiplying Q_i^{I*} by the population during the corresponding quarter. This latter figure is the suggested quota for the quarter at an annual rate and must be divided by 4 to obtain the quota for the quarter.

In table 7, actual import volume (including meat equivalent of live animals imported) is compared with the estimated

¹⁶ The hypothesis that a shortage of domestic beef relative to desired supply results in imports, should not be interpreted as a hypothesis that the import volume is always equal to the difference. Importers may either fail to buy adequate supplies, or buy more than an amount sufficient to maximize profits.

¹⁷ Preliminary data indicate that 1963 import levels were also price depressing, approximately equivalent in effect to that indicated for 1962 in table 5.

¹⁸ The mathematical symbol $\partial P / \partial Q_i^C$ indicating the instantaneous rate of change in price with respect to cow beef production has been employed here.

equilibrium import levels. The estimated import-price effects have been computed from equation (7) and are also shown in table 7.¹⁰ These pertain, of course, to the effects which actually were exerted on the domestic market; under the quotas computed above, the negative effects would have been, presumably, eliminated and the corresponding entries would be zero.

Some of the advantages of quotas determined in this manner are demonstrated by this example. First, the quota is flexible, changing automatically with changes in the market environment. Insofar as imports tend to move in concert with domestic cow beef production over the course of the marketing year—the data in tables 6 and 7 seem to support this contention—the suggested quotas may exert a contraseasonal effect in

¹⁰ The indicated import-price effects imply annual values of $-\$0.22$ and $-\$0.35$ for 1962 and 1963, respectively. These results can be considered as indicative of the magnitude of the effects of market disequilibrium during relatively short periods of time.

the market. Thus, the quota increases when domestic production is at its seasonal low (II quarter) but decreases when production reaches its seasonal high (IV quarter):

TABLE 6.—Estimated per capita production of cow beef, equilibrium per capita imports and suggested quota, by quarters at annual rates, quarter IV, 1961, through quarter IV, 1963

Year and quarter	Estimated per capita cow beef production (pounds)	Estimated equilibrium per capita beef imports (pounds)	Suggested quota (million pounds)
1961—IV	17.3	7.1	1,286
1962—I	14.7	8.4	1,527
II	14.1	8.7	1,587
III	16.8	7.3	1,345
IV	18.0	6.7	1,240
1963—I	13.8	8.8	1,634
II	13.0	9.2	1,714
III	15.2	8.1	1,514
IV	17.2	7.1	1,334

TABLE 7.—Estimated quarterly beef imports, suggested quarterly quotas, and estimated marginal import-price effects (annual rate), by quarters, IV, 1961 through IV, 1963

Year and quarter	Estimated quarterly beef imports (million pounds)	Suggested import quota (million pounds)	Estimated marginal import-price effect (dollars per hundred-weight)
1961: IV	341.2	321.5	-0.07
1962—I	392.5	381.8	-0.04
II	334.2	396.8	+0.23
III	455.0	336.2	-0.42
IV	535.8	210.0	-0.81
1963—I	445.0	408.5	-0.13
II	400.0	428.5	+0.10
III	550.5	378.5	-0.61
IV	550.5	333.5	-0.77

¹ Estimated total imports reported here were 1,717,500,000 pounds in 1963; as reported in Livestock and Meat Situation, AMS, USDA, November 1963, they were 1,725,000,000 pounds.

APPENDIX TABLE I.—Data employed in estimating price equations (1) and (5)

Year	Average price received by U.S. farmers, beef cattle (dollars per hundred-weight)	U.S. production of steer and heifer beef (million pounds)	U.S. production of cow and bull beef (million pounds)	Imports of beef and veal (including meat equivalent of live animals) (million pounds)	Byproduct allowance (dollars per hundred-weight)	Personal disposable income (billions of dollars)	U.S. population eating out of civilian supplies, Apr. 1 (millions)	Consumer price index (1957-59=100)
1947	18.40	7,564	4,025	64	6.30	168.3	143.5	77.8
1948	22.20	6,495	3,594	356	6.60	186.9	146.1	83.8
1949	19.80	7,412	2,970	254	5.40	189.7	148.6	83.0
1950	23.30	7,235	3,150	505	6.30	207.7	151.6	83.8
1951	28.70	6,543	2,978	575	8.50	227.5	153.7	90.5
1952	24.30	7,482	2,935	476	5.50	238.7	156.4	92.5
1953	16.30	9,760	3,746	333	4.20	252.5	159.0	93.2
1954	16.00	10,031	4,121	267	4.00	256.9	161.8	93.6
1955	15.60	10,251	4,449	322	3.70	274.4	164.6	93.3
1956	14.90	11,262	4,369	254	3.70	292.9	168.2	94.7
1957	17.20	11,208	4,086	616	4.00	308.8	171.2	98.0
1958	21.90	10,894	3,192	1,249	4.50	317.9	174.0	100.7
1959	22.60	11,278	2,884	1,254	5.10	337.1	177.0	101.5
1960	20.40	12,387	3,012	938	4.20	349.4	180.7	103.1
1961	20.20	13,137	2,753	1,287	4.50	363.6	183.7	104.2
1962	21.30	12,945	2,922	1,725	4.80	382.9	186.6	105.4

SOURCES

Average price: Livestock and Meat Statistics, 1962, Statistical Bulletin No. 333, ERS, USDA, July 1963, p. 261.
Production of steer beef, production of cow beef, and imports of beef: Livestock and Meat Situation, AMS, USDA, November 1963, p. 36.
Byproduct allowance: (1947-61) Farm Retail Price Spreads for Food Products,

Miscellaneous Publication 741 and supplements thereto, AMS, USDA; (1962). Marketing and Transportation Situation, AMS, USDA.

Personal disposable income: (1947-61) Agricultural Statistics, 1963, USDA, p. 511; (1962) Survey of Current Business, USDC.

Population: Agricultural Statistics, 1963, USDA, p. 524.

Consumer price index: (1947-61) Agricultural Statistics, 1963, USDA, p. 511; (1962) Monthly Labor Review, BLS, USDL.

APPENDIX B

METHOD OF ESTIMATING PRICE EFFECT ASSUMING DOMESTIC COW BEEF SUPPLY 1958-62 EQUAL TO TOTAL SUPPLY OF LOW-GRADE BEEF LESS 1957 IMPORT VOLUME

It is assumed that imports in each year from 1958 through 1962 are equal to 3.7 pounds per capita but that total supply of low-grade beef is equal to the actual amount absorbed by the market:

(1) $Q'_t - 3.7$ = Additional cow beef production per capita required ($\Delta Q^{c't}$).

(2) $\Delta Q^{c't} \times \text{Population}_t$ = Total additional cow beef production required ($\Delta Q^{c't}$).

(3) $\Delta Q^{c't} \div \text{Average dressed weight, cows, Chicago}_t$ = Increase in cow slaughter ($\Delta Q^{c't}$).

(4) Cows and heifers (2 years old and over) on farms, January 1 (other) $t_{+1} - \Delta N_t$ = Adjusted January 1 inventory (I'_{t+1}).

(5) $I'_{t+1} \times \text{Calves born per cow}_{t+1}$ = Adjusted beef calf crop (C'_{t+1}).

(6) $I_{t+1} \div \text{Calves born per cow}_t$ = Actual beef calf crop (C_{t+1}).

(7) Number of calves commercially slaughtered $t_{+1} \div \text{Total calf crop (including dairy calves)}_{t+1}$ = Percent of calf crop slaughtered t_{+1} .

(8) $(C_{t+1} - C'_{t+1}) \times \text{Percent of calf crop slaughtered}_{t+1}$ = reduction in calf slaughter ($\Delta C^{s't+1}$).

(9) $\Delta C^{s't+1} \div \text{Number of calves slaughtered}_{t+1}$ = percent reduction in veal production t_{+1} .

(10) Actual veal production $t_{+1} \times (100 - \text{percent reduction in veal production}_{t+1}) \div 100$ = adjusted veal production ($P^{v't+1}$).

(11) $C'_{t+1} \times \text{percent of calf crop slaughtered}$ = adjusted calf slaughter t_{+1} .

(12) C'_{t+1} - adjusted calf slaughter t_{+1} = adjusted steer slaughter t_{+2} (S'_{t+2}).

(13) $C_{t+1} \times (100 - \text{percent of calf crop slaughtered})_{t+1}$ = actual steer slaughter t_{+2} (S_{t+2}).

(14) $100.0 - (S'_{t+2} \div S_{t+2}) \times 100$ = percent reduction in steer beef production t_{+2} .

(15) Actual steer beef production $t_{+2} \times (100 - \text{percent reduction in steer beef production}_{t+2}) \div 100$ = adjusted steer beef production t_{+2} ($P^{s't+2}$).

(16) $P^{s't} + P^{v't}$ = total adjusted steer beef and veal production.

(17) Total adjusted steer beef and veal production $\div \text{population}_t = Q^{s't}$.

Since the increase in domestic cow beef production exactly offsets the decrease assumed for imports, no change in price from this source is involved.

(18) $P'_t - P_t = -0.33417939 (Q^{s't} - Q^s)$; $Q^{s't}$ is less than Q^s ; thus, $P'_t > P_t$.

[From the American Cattleman]

CATTLEMEN ANSWER IMPORTERS

(NOTE.—On November 20, 1963, the Senate Committee on Finance adopted a resolution directing the U.S. Tariff Commission to conduct an investigation, in accordance with section 332 of the Tariff Act of 1930, of the conditions of competition in the United States between beef produced in the United States and in foreign countries. A public hearing was ordered by the Commission and held April 28-May 6, 1964. Attorneys for the American National Cattleman's Association, Josiah G. Holland and William D. Embree, Jr., of Holland & Hart, Denver, submitted the following brief on behalf of the cattlemen.)

SCOPE OF THE INDUSTRY

Beef cattle are produced in every State of the Nation. Of the 3,703,894 farms reported by the USDA, 2,674,176 raised cattle.

Of the total land resources available for agriculture (1.4 billion acres) over 73 percent is utilized for grazing purposes. Most of this land is suitable for no other commercial use, and unless so used becomes unproductive. The major portion of these grazing lands is used by cattle.

The cash moneys received by farmers from sales of cattle and calves is the largest single source of income in agriculture. The

income from this source exceeds the aggregate amount received from the so-called basic crops—cotton, corn, peanuts, rice, wheat, and tobacco.

Agriculture has the highest investment per worker of any industry. Also since it is a low dollar earner it spends a high proportion of its income for goods and services. It is the largest single user of steel, lumber, electricity, petroleum products, and many other items. It is a very large consumer of corn and other feed grains which have been in constant surplus supply. Any setback to the cattle industry has the immediate effect of compounding the surplus grain problem.

From these and other similar facts it is certain that any reduction in the income of the cattle producers and feeders for whatever reason is immediately felt throughout the national economy.

SERIOUS FINANCIAL SITUATION

The total supply (including imports) of beef and veal in the United States was greater in 1963 than in 1962 and marketing of cattle in 1963 was considerably higher. Nevertheless, the total cash receipts from these increased sales were less in 1963 than in 1962. We need to review only briefly price declines for certain classes of cattle to see the economic strain under which the domestic beef cattle business is laboring. Comparing April 1964 with April 1962, average prices for Choice steers in Chicago were down 22 percent; Choice stocker and feeder prices in Kansas City were down 14 percent; Good and Choice calf prices in Kansas City were down 14 percent, and Utility cow prices in Chicago were down 8 percent.

Typical 100-cow herd—Gross income

	April 1962		April 1964	
	Price per hundred-weight	Income	Price per hundred-weight	Income
15 cows×1,000 pounds=15,000 pounds.....	\$15.55	\$2,332.50	\$13.75	\$2,062.50
1 bull×1,400 pounds=1,400 pounds.....	18.00	252.00	19.25	269.50
43 steers×430 pounds=18,490 pounds.....	27.60	5,103.24	25.30	4,677.97
28 heifers×400 pounds=11,200 pounds.....	25.60	2,867.20	22.30	2,497.60
Income.....		10,554.94		9,507.57
Decrease (percent).....				9.9
Percent of cows and bulls to gross income.....		24.5		24.5

IMPORTS DON'T REALLY BENEFIT CONSUMER

The increasingly large volume of imports has had the effect of sending cows, bulls and two-way cattle back to the herd or the feedlot because the packer has not been aggressively bidding in the marketplace for these animals.

The addition of excessive imports to our normal commercial cow slaughter has distorted domestic production by reducing the normal slaughter of cows, bulls and two-way cattle.

It must be strongly emphasized, the domestic industry does not ask that beef imports be shut off, but only that they be limited to their average during the five highest beef import years in history—1959–64, inclusive. Over 1.2 billion pounds carcass weight equivalent would be allowed to enter annually. This would permit the influences of supply and demand to become operative once again and allow the normal adjustments of cattle population in the domestic industry.

The contention of the importers is that imports of lean frozen beef are blended with trimmings from fed domestic carcasses, enhancing the value of domestic fed beef. The

What do these price drops mean to an average rancher? The accompanying table indicates the economic crisis brought on by these disastrous price declines. His gross income has declined by 9.9 percent. The table compares prices in April 1962 with April 1964. The price outlook this fall is for even lower prices for all classes of cattle (Livestock and Meat Situation, USDA, May 1964). This future reduction in income for the rancher will reduce further the already low return on his investment. Few people realize that cattle ranch investment returns are approximately 2 percent.

The rancher received \$12.30 less per cow, \$15.60 less per calf and \$25.56 less per head for other stockers and feeders in 1963 than he did in 1962.

The feeder also has suffered severe price declines. His actual losses per head have ranged from \$30 to \$70 on all fat cattle he sold in 1963.

The inventory values of all cattle from January 1963 to January 1964 show an additional reduction of \$1.197 billion.

These substantial losses were the result of a number of causes, of which a major one was the excessive beef and veal imports.

Although economists maintain that imports will decline when domestic cattle prices go down, the U.S. cattle industry found that, even though their prices went down materially, imports reached record heights. Unless these imports are properly controlled, prices for cattle, already distorted, will be further distorted, making it virtually impossible for the American producer and feeder to maintain or, later, to recoup his historical market.

by the U.S. cattle industry as a direct result of imports:

U.S. beef and veal production, 1962 (million pounds).....	16,311
Beef imports (not including live animals (million pounds).....	1,445
Total beef supply (million pounds).....	17,756
Population, July 1, 1962 (million).....	187
Per capita supply of beef and veal (pounds).....	98.6
Imports of beef and veal, 1963 (million pounds).....	1,679
Population, July 1, 1963 (million).....	189
Imports per capita (item 6÷item 7) (pounds).....	8.9
Percent increase in per capita supplies over 1962 resulting from imports in 1963 (item 8÷item 5).....	9.8
Percent 1963 price reduced because of imports in 1963 (item 9×1.0).....	9.2
Average price of beef cattle, 1962 at Chicago (hundred-weight).....	\$21.30
Amount 1963 price reduced (item 10 × item 11) (hundredweight).....	\$1.96
Total beef and veal production, 1963 (million pounds).....	17,400
Dollar loss to U.S. producers in 1963 attributed to imports item 12×item 13).....	\$341,040,000

The claim of the importers that the per capita demand for manufacturing meat will continue to increase materially is open to question. Many economists feel that as per capita income increases, purchases of the more expensive cuts will increase and the dietary habits of low income groups will be upgraded. Furthermore, it is misleading to assume that all manufacturing beef benefits low income families. Many of these items are convenience foods and are quite expensive.

The importers claim that imported beef has benefited the American consumer. It has been shown that prices of hamburgers, frankfurters, and luncheon meats have been relatively constant during the heavy years of imports.

INTERRELATIONSHIP OF BEEF INDUSTRY

A large part of the evidence introduced at the hearing was devoted to the contention of brokers, packers, processors, and beef exporting countries (the importers) that the U.S. beef industry consists of two distinct and independent segments—fed beef consisting of finished cattle, and lean beef consisting of old breeding stock, discarded as no longer useful for breeding purposes. This latter category, "lean beef," the importers call a by-product of the U.S. beef industry, the market for which is insignificant to the industry as a whole.

The American cattleman takes quite the opposite view; i.e., that this so-called byproduct, which consists not only of older breeding stock but also of two-way cattle and rough cuts from fed beef, represents an integral part of the industry which cannot be affected without affecting the entire industry, and that this part of the industry yields him a substantial portion of his income as a producer of beef.

Clearly, the prime indicator as to whether segments of an industry exist independently of one another is the effect which the price of one has upon the price of another. In the case of fed beef and lean beef the findings of the Economic Research Service of the USDA show a clear interrelationship. The findings

best answer to this is that the same result can be obtained if the fat trimmings are blended with domestic lean beef. Marvin Gibson in a statement shows the loss to the processor, if no lean meat were available, domestic or imported, to blend with these trimmings. Obviously, with the large imports allowable under our requested quota and the potential domestic supply of manufacturing meat, the necessary lean meat will be available. Further, the consistent levels in the price of hamburgers, frankfurters and luncheon meat and the present price of cattle would indicate that none of the economic advantages of such a blending have been passed on to the consumer or passed back to the producer.

Using a formula based on Dr. Harold Breimyer's study, "Demand and Price for Meat", USDA Technical Bulletin, 1253, that a 1-percent increase in the supply of beef has the effect of decreasing prices 1 percent, the estimated direct dollar loss to the U.S. beef producer for 1963 due to foreign imports is \$341 million. This estimate is conservative.

The following formula gives a close approximation to losses from sales sustained

are that imports have an effect not only on the price of cow beef but also on the price of choice steers. If imports in the year 1963 were rolled back to the 1957 level, choice steer prices would have been \$1.20 to \$1.60 hundredweight higher. These figures clearly support the contention that beef is beef in whatever form it is put on the market. They further support the statement figuratively made by economists that beef is its own worst competitor.

The above demonstrates the price relationship between fed beef and lean beef. The impact of imports on lean beef which is directly competitive with imported beef is, of course, much greater. Imported beef can be produced and sold more cheaply than domestic lean beef. This results in driving down the price of domestic lean beef, causing the American cattleman to lose money which he badly needs to keep his head above water. The importers contend that this loss is insignificant, when compared to the cattleman's overall income. The facts reveal that quite the reverse is true. The annual income which a cattleman receives from the sale of this so-called byproduct amounts to approximately 25 percent of his gross income from the sale of his beef animals. This is demonstrated in the gross income table.

The importers made considerable effort to show that recent imports have not affected domestic lean beef market prices. This is to an extent true and for reasons which are very alarming insofar as the future of the domestic lean beef market is concerned. Very briefly, these reasons are that following a substantial liquidation of breeding herds in 1957 because of drought, there existed a relative dearth of cows and bulls which opened up a temporary hole in the lean beef market. This hole was promptly filled by the importers who then started on a program of expansion designed virtually to eliminate domestic lean beef. In this they were unwittingly assisted by some American cattlemen who were trying to build back their drought-shattered breeding herds in some areas. In so doing, they retained breeding stock, and slaughter of this type of animal remained relatively low.

In other areas other cattlemen were culling their herds at normal rates and shipping them to market expecting packers to buy them for slaughter as usual. Had the normal price relationships existed for culled cows and two-way cattle, and packers bid normally for them, these cattle would have been killed. However, since the packers did not kill these animals they went back to the country to swell the ranks in the breeding pastures and feedlots. Also it was only normal for the cattleman, trying to save himself and his family from bankruptcy, to maximize his income by expanding his production. Thus there was no "callous disregard" of the public's desire for lean meat as asserted by Sidney M. Washer of the Importer's Council.

DOMESTIC INDUSTRY CAN SUPPLY DEFICIENCY

The principal argument of the beef importers, domestic and foreign, is oriented toward the claim that imported lean frozen beef is absolutely necessary to supply the manufacturing grade of beef and that if there were no imports the supply of hamburgers, frankfurters, etc., would be wholly inadequate to meet the growing demand for those products. They claim prices for cows would go "over the moon" and this market for beef would be taken over by other cheap protein foods.

This argument ignores the fact that the American cattle industry is not asking for a wiping out of beef imports but merely a cutback of 28 percent below the 1963 figure (the highest year) to an amount equal to the average for 1959 to 1963, inclusive (the 5 highest years).

The beef cow population is at its alltime high. The cow slaughter 1959-63 was only

about two-thirds that of the previous 5-year period, 1954-58. This is indicative of the influence of imports on the domestic industry.

Assuming federally inspected cow slaughter in 1964 equals the average for 1954-58, it will be 6.025 million head. Adopting Mr. Gibson's assumption that 75 percent of the beef from these carcasses winds up in manufacturing meat channels, the manufacturing meat so produced domestically will be 2.25 billion pounds. The actual domestic production from federally inspected cow slaughter in 1963 was 1.59 billion pounds. Therefore, a return in 1964 to more normal domestic cow slaughter will increase domestic production of manufacturing meat by 660 million pounds.

The 28 percent decrease in imported beef asked for by the cattlemen would reduce the 1964 imports 470 million pounds below the 1963 level. These figures are enough to show conclusively the ability of the domestic industry to fill the gap. However, it should be pointed out that the 660-million-pound figure does not include the other domestic sources of manufacturing meat—non-federally inspected cow slaughter, two-way cattle, fed beef and bulls.

No attempt will be made in this brief to review the lengthy testimony on this phase of the case. Cattlemen faced with the economic realities of the situation testified that the falling off of production of beef of this grade was caused by the ever-increasing imports which killed the domestic slaughter market for the cows and two-way cattle, and that packers' orders for these animals had become few and far between.

The four economic experts for the importers all testified that the complete, substantial or "great" elimination of the imports would create a gap that could not be filled domestically, which would create shortages and substantially raise the cost of manufactured meat to the consumer. However, none of these experts was able to testify that a cutback of imports to the average of the 1959-63 period would have such effect.

Glen Allen in his statement confines his predictions of increased prices and decreased consumption to an "elimination" of imports and to the substitution of "all or a major portion of beef imports with domestic production."

Marvin Gibson stated, in substance, a cutback of imports to the 1959-63 average could be filled domestically. He doesn't believe the cattlemen will do it, but "if you do, you have solved your problem." The gap contemplated by the additional voluntary cutbacks for 1964 will either be supplied "by the domestic market or the prices will go up to where you will discourage consumption." There will be much more of a market for slaughter cows if there is a diminution of imports.

Mrs. Doris D. Nichols, representing New Zealand and Ireland, in her written statement made the claim that certain detrimental effects would be felt by manufacturers and the consuming public if imports were greatly reduced. Asked on cross-examination what percentage of reduction would be great enough, she was unable to answer and begged the question by stating it would have to be great enough to cause the effects described.

Mrs. Nichols further stated prices of hamburger would not increase "if domestic production can step in and take care of it," and that prices will go up in 1964 "unless there is a sudden increase in the domestic production of the kind of meat that is imported."

Dr. Harold F. Breimyer, also representing New Zealand, made the following statements in substance on cross-examination:

Sales for manufacturing meat are a substantial part of the cattleman's income.

"The cow slaughter has been below normal and, therefore, is expected to increase." The cows (necessary to fill the gap caused by a cutback in imports) are in the herds. He cannot estimate to what extent cow slaughter will increase, but "every prospect is that it will increase."

UNITED STATES MOST IMPORTANT MARKET

Uncontradicted evidence has been submitted to the Commission demonstrating that at the present time the countries exporting the largest amount of beef and veal have channeled the bulk of these products into the United States. In 1963 Australia exported 85 percent of its beef to the United States, New Zealand over 90 percent, and Ireland 50 percent. These countries are aware that the cattle industry of the United States is in serious straits, as evidenced by the quota agreements entered into between them and the United States. It has been alleged by these countries that these agreements were entered into not because they felt that the American cattleman's problem was created by imports, but only because they recognized that the American cattleman was in difficult straits for entirely different reasons and that it was their desire to cooperate with him. However, American cattlemen feel that these agreements are of little help and represent small sacrifice to the signatory countries.

Recognizing that the agreements do not give the relief requested by the American cattlemen, the signatory countries went to considerable lengths at the hearings to create the impression that exports from their countries to the United States in the future would fall considerably below the amounts allowable under those agreements. Evidence was introduced that these countries are vigorously attempting to obtain new markets and to expand present markets in countries other than the United States. For example, Mr. Mitchell, chief executive officer of the Australian Meat Board, stated in substance that a very strong demand due to shortage of supply for beef was developing in the United Kingdom and the European Continent with the result that the Australian Meat Board, after a survey of the situation, felt that during 1964 their exports to the United States would be 25 percent less than in 1963. Neither Mr. Mitchell nor J. L. Shute, chairman of the Australian Meat Board, testified that Australia has any firm agreements with any country or countries whereby Australia can export to them 25 percent of the meat it has previously been exporting to the United States.

With respect to New Zealand, the record is filled with the same type of optimistic generalities concerning the efforts being made to open up new beef markets in other countries. Similarly, nothing in the record indicates that any concrete arrangements have been made with other countries which would insure New Zealand a market to which it could ship quantities of beef significantly reducing the amount now being shipped to the United States.

[Before the U.S. Tariff Commission, No. 44] BRIEF SUBMITTED ON BEHALF OF THE AMERICAN NATIONAL CATTLEMEN'S ASSOCIATION

In the matter of Beef and Beef Products under section 332 of the Tariff Act of 1930.

INTRODUCTORY STATEMENT

On November 20, 1963, the Committee on Finance of the U.S. Senate adopted a resolution directing the U.S. Tariff Commission to conduct an investigation, in accordance with section 332 of the Tariff Act of 1930, of the conditions of competition in the United States between beef and beef produced in the United States and in foreign countries. A public hearing was ordered by the Commission on November 26, and was held on April 28, 29, 30, and May 1, 5, 6, 1964.

Mr. MORSE. Mr. President, Senators talk about reciprocal trade. Where is the reciprocity? There is none in situations such as this. That is the kind of discrimination to which the American consumer and the American producer have been subjected for many years, with the sanction and approval of the Department of State and the White House. The time has come for Congress to step up to the line and fulfill its legislative duty.

I do not intend to sit here and vote to liquidate the legitimate rights and interests of American agriculture. The time has come for the farmers, the consumers, and the businessmen of the country to put Congress on the spot.

Let us hear no more about the argument of political expediency—the argument that we had better wait until the election is over. The American people are entitled to action before the election.

Mr. President, the time has come to take the legislative steps necessary to protect the economic interests of the American people first. The Mansfield bill will make a contribution to that end. The Hruska amendment, if offered, will make a contribution to it.

But I will not sit in the Senate and vote to give away the economic interest and rights of the American people on the basis of any such unsound argument to the effect that we might lose some friends in Europe, Japan, and elsewhere. Those countries have demonstrated by one discriminatory act after another against the best economic interests of the American people, that they are not economic friends. They seek only to exploit us and take advantage of us.

As Members of Congress, we have a solemn trust to proceed to enact legislation that will protect the economic interests of the American people first.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Oregon is withdrawn.

Mr. MOSS. Mr. President, will the distinguished Senator from Nebraska yield time to me?

Mr. HRUSKA. Mr. President, I yield 5 minutes on the bill to the distinguished Senator from Utah.

Mr. MOSS. Mr. President, I support the amendment of the Senator from Montana to H.R. 1839 to limit imports of beef and veal.

Recent information from the Department of Agriculture indicates that U.S. imports of beef and veal through April of this year are 11 percent below a year ago. Moreover, the Department is currently predicting that total 1964 imports of beef and veal might be as much as a quarter below the heavy shipments of last year.

Choice cattle prices in Chicago for the past 2 weeks have held at around \$25 a hundred, and prices in the past month have strengthened appreciably. Farm spokesman are predicting a further upward trend in beef prices in the coming weeks.

From this one might infer that cattlemen are "over the hump"—that the Government's agreements with leading beef export countries have succeeded in

restoring a degree of stability to the domestic livestock industry. One might infer, too, that the Senate is wasting its time on the Mansfield amendment to H.R. 1839 which would limit imports of beef and veal to 1959-63 average levels.

But there is another side to what looks like a rosy picture—cattlemen are not by a long shot in a comfortable situation.

Last month was the first month when prices have recovered anywhere near 1963 levels; May average prices for Choice steers at Chicago were only \$20.52 per hundred—9 percent below a year ago. For the first quarter of this year, Choice steer prices were almost 13 percent below the first quarter a year ago.

It is true that the import situation has shown some improvement—imports are down at the present time. But have foreign suppliers cut back shipments to improve their image in the eyes of American cattlemen? Are they "over-honoring" the agreements to reduce shipments to 1962-63 levels? There is ample evidence that our cattlemen are being given a breather from heavy imports simply because the demand for beef in Europe has risen in the past few months. Australian and New Zealand beef is currently filling a demand which has been traditionally supplied by Argentina, and that country is, at the moment, "out" of the market.

Argentina's cattlemen are currently paying the price for a series of ill-considered government actions, as well as last year's severe drought, which brought that country to its present unhappy condition. Mondays and Tuesdays in Argentina are at present "beefless" days, and fish is being pushed.

So this Argentina disaster—not the agreements with Australia and New Zealand—has given our cattlemen a temporary breather. I say "temporary" breather because, sooner or later, the cattle industry in Argentina will recover, and her cattlemen will be in a position to recapture their European markets.

American cattlemen still have about as many cattle on feed as a year ago. Fortunately, pasture conditions have been favorable, and this has allowed cattlemen some discretion in marketing their cattle. But what would be the situation if widespread drought afflicted our major feeding areas? Farmers then would be forced to resort to heavy marketings, and the very temporary recent gains would be wiped out.

Our cattlemen tread a razor's edge, and such a disaster would have a terrible impact on the whole of our agricultural economy.

Senator MANSFIELD's amendment to limit imports of beef to the more realistic level which prevailed in 1959-63 is the very least we can do to assure cattlemen that we have not abandoned them.

We have heard a lot of talk in the past year about the public interest and our foreign trade policy. It is difficult for me to see that we must leave our doors wide open to satisfy possible criticism from abroad, and require our livestock industry to absorb all of the shock which our open trade policy requires of the domestic economy.

I reiterate my support for Senator MANSFIELD's amendment; the livestock industry supports it, large numbers of Members of Congress favor it, and equity demands it.

We who represent woolgrowing or wool-processing States have seriously considered asking that wool textiles be added to the Mansfield amendment. After some thought, we have decided not to press that action at this time. The administration has given every evidence of understanding the extent to which wool textile imports are hurting the domestic wool industry, and has been moving to provide some relief. We want to give the administration a free hand to do whatever can be done through administrative action. But many of us do feel that if some of the burden of heavy imports cannot be lifted from the domestic wool industry, we shall be obliged to seek legislative relief at a later date.

I support the amendment offered by the Senator from Montana. I hope the Senate will adopt it.

Mr. DOMINICK. Mr. President, will the Senator from Nebraska yield to me?

Mr. HRUSKA. I yield 5 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. DOMINICK. I probably shall not take all of the 5 minutes, but I wish to say a few things about the importance of the bill before the Senate.

Among other things, the entire Republican Party has recognized this situation, because action is recommended to curb disruptive beef imports in section 3 of the 1964 Republican platform, to substitute meaningful safeguards against irreparable injury to any domestic industry by disruptive surges of imports, as in the case of beef. It mentions other products.

I subscribe to the opinion expressed by the Senator from Oregon [Mr. MORSE], that we have had one problem after another with imports, when foreign countries have been holding methods of keeping American domestic products out of their markets, while at the same time the State Department has been allowing foreign imports to flood our markets.

During the hearings before the Finance Committee on the Mansfield bill—and my remarks will, of course, apply as much to the Finance Committee bill which is presented to us as to the original Mansfield or Hruska bill—I pointed out that the potential damage to Colorado alone, this year, from the drop in prices in the livestock industry, will be between \$20 and \$30 million; and if we parlay this into a national impact on the economy, we are talking in terms of \$2 to \$3 billion in loss to this country in terms of economic growth.

There is no point whatsoever in letting pass the State Department action which has done nothing to assist the problem which, by establishing imports at a very high level, has done a great deal to aggravate the situation in which the livestock industry finds itself.

It should be pointed out, and I believe quite clearly, to the Senate as a whole, that the bill as presented by the Finance

Committee, or as proposed to be amended by the Senator from Nebraska [Mr. HRUSKA], would not entirely eliminate foreign imports.

Opponents of this type of bill say, "Why do you want to eliminate imports?"

We do not wish to eliminate them at all. We wish to establish them at a reasonable level, so that they will not disrupt our domestic industry.

It does not profit the United States or other countries, to have their economic condition downgraded by virtue of imports from other countries. The economic condition of the United States is the very foundation of the free world's economic basis for its fight against communism.

So it does not do any good to downgrade a leading country, in order to allow a few more imports to some of the other free world countries.

I might feel a little differently if I thought that New Zealand or Australia would be substantially damaged in any way whatsoever by the proposed committee bill, but there is no evidence that they would be affected in the slightest degree.

They have the opportunity to market in the Common Market, and in England, as they have been doing in the past; and they would still be entitled, under this bill, to approximately 7 percent of the entire U.S. domestic production. So we are not doing a substantial amount of damage to Australia, New Zealand, or Ireland.

It is only fair to bring out at this point, as we did in the Finance Committee, the fact that there are certain aspects of the so-called voluntary agreement entered into between the State Department and Australia and New Zealand which should be brought to light.

I have no documentary proof of this, but I have been told by those in the Agriculture Department, and by those in the industry, that one of the assurances we gave to England at the time England was trying to get into the Common Market and we were urging that she do so, was that any adverse effect this move might have on New Zealand and Australia would be picked up by this country by permitting increased imports within our boundaries.

I have been told that the agreement which was reached, which goes as high as 11 percent, on the entire domestic beef industry, was a follow-through of that agreement, even though England never got into the Common Market.

Mr. President (Mr. INOUYE in the chair), this seems to be a strange and difficult way for us to try to propound foreign policy of that nature, by creating damage to our own domestic industry without saying anything about it publicly.

It is time again, as the distinguished Senator from Oregon has stated, for the Senate to take control over what is given to us within the Constitution, to determine how best we can maintain our own industries and adjust our quotas and tariffs accordingly.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. DOMINICK. Will the Senator from Nebraska yield me 2 more minutes?

Mr. HRUSKA. I yield 2 additional minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 additional minutes.

Mr. DOMINICK. Mr. President, one of the present possibilities is that of lowering tariffs on livestock and meat products. It is my understanding that the tariffs in the present Geneva round of conferences, so far as the small amount of tariffs that we now impose is concerned, could be cut in half by the negotiating team in Geneva.

If this should happen, coupled with the import quotas which the State Department has foisted on the American public and the livestock industry, the livestock industry would be hurt even worse than it is now.

It is time for the Senate—the House concurring, I trust—to take action to try to establish a reasonable and sound basis upon which foreign imports will not flood the American market to the further detriment of the livestock industry.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. SIMPSON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. Mr. President, I yield 15 minutes to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I wish to preface my remarks by paying tribute to the distinguished senior Senator from Oregon [Mr. MORSE] and the distinguished senior Senator from North Carolina [Mr. ERVIN] with respect to the question which confronts the Senate, and the House of Representatives, for the forthright and forceful way they have presented a picture which is unassailable.

From the report submitted by the distinguished Senator from Virginia [Mr. BYRD], I should like to read some remarks into the RECORD, because they are of prime importance to the discussion we have had in the Senate today.

They appear on page 2 of the report, as follows:

The increasing volume of imports of beef over the period 1956-63 is illustrated by table 1. This table indicates that imports of beef increased from 200 million pounds (carcass weight) in 1956 to 1.7 billion pounds in 1963. During the same period consumption of beef increased from 15.7 billion pounds to 18.6 billion pounds or by 3 billion pounds. Thus, foreign beef accounted for one-half of the total increased domestic use of beef over the 8-year period 1956-63.

The report, on page 5, continues:

This price data strongly suggests that imported meat has played an important part in creating the distressed market conditions in the cattle industry.

I wish to emphasize this point:

The pressures on domestic prices of low-priced, foreign-imported beef discourages sale of domestic livestock and encourages their return to the range where they produce new calves and add more weight, thus intensifying the problems confronting the American cattlemen.

Although it was advised that imports of beef in the future would be restricted by voluntary agreements with major exporting

countries, the committee is concerned that these voluntary limitations in large part reflect the more favorable markets for beef in Europe, and that if the present market conditions there should deteriorate, we will be faced with even greater distress in our livestock industries than is apparent now.

On the basis of information presented to the committee and data contained in the Tariff Commission report, your committee has concluded that beef imports have contributed heavily to the depressed conditions in the livestock industry and that remedial legislation is warranted.

Mr. President, today will be the third time during the 88th Congress that the Senate has had the opportunity to adopt legislation which would curb the excessive beef, lamb, and mutton imports which are causing so much damage to our livestock producers. I hope that the old saying, "the third time is a charm" will have real meaning after this vote.

The drastic and crippling damage done to our cattlemen by the beef imports does not need to be restated. The foreign imports have been extremely detrimental to our economy. The Senate Finance Committee has shown its wisdom in the recognition of this fact and has favorably recommended corrective legislation which would restrict imports to an amount equal to the average imports for the years 1959 through 1963.

In January 1963 I proposed legislation, S. 557, which would set a quota on imports equal to the average imports for the years 1958-62. The need for this legislation was ignored by the administration time and time again. In fact, every conceivable roadblock was thrown up in an attempt to halt this type of legislation.

However, on May 15, 1963, I proposed as an amendment to the administration's Feed Grain Act, my bill S. 557. On almost a party line vote my proposal was rejected, 31-58, in spite of the fact that 1962 imports were up 41 percent over 1961 beef imports and were taking about 10 percent of our domestic market.

After that the situation worsened. Cattle prices went down and imports went up. I made several speeches on the Senate floor in an attempt to show the folly of the present administration's policy toward free trade and the affect it would have on the livestock industry. On two different occasions, I appeared before the U.S. Tariff Commission asking that the tariffs on beef, beef products, wool, lamb, and mutton not be eliminated as the present administration is proposing.

This administration has been totally irresponsible in meeting the problems created by beef imports. As late as November 2, 1963, Secretary Freeman said:

At this time, I would say there is no reason to believe that beef imports, according to our most careful calculations, are adversely affecting beef prices to any significant degree.

The Secretary of Commerce, Luther Hodges, in January of this year, when asked about beef imports stated:

I do not think it has gotten out of hand.

He then went on to make his famous statement that if the cattlemen and the livestock people of America would quit "whining" they would be better off.

Whining is foreign to the rugged livestock men of the West. They resent the implication, as do I.

It was not until January of 1964 that the Department of Agriculture even admitted that beef imports were affecting our domestic cattle prices. On January 16, 1964, Secretary Orville Freeman held a briefing for Members of Congress on beef imports. I attended that meeting and was shocked at the way the Secretary tried to cover up the problem with glittering generalities. The Secretary presented no plan for curbing the beef imports and, in fact, angrily demanded that no legislation be passed which would give protection to the livestock industry.

That meeting with Secretary Freeman was typical of the many smokescreens that have been sent up by this administration in its attempts to divert attention from the import problem which is causing us so much damage. It should be stressed that if the President would use his authority, legislation would not have to be passed to bring relief to the cattlemen. He seems to be more concerned that he might hurt the feelings of some foreigners than he is about helping a domestic industry. We have seen the smokescreen go up. We have seen the diversionary tactics. But we have not seen any action because the Democrats who control the White House, the State Department, and the Congress refuse to give us the protection we so desperately need.

The President is now becoming somewhat concerned about the cattle market because it has such a terrific impact upon our total economy. He has now supported a study of the chainstores to see if there are any abuses. That is all well and good, but the study is not to be filed until July 1966. We need help today—right now.

The administration, in its attempt to establish a free trade policy, has sent up smokescreen after smokescreen so that the American people will not realize the real effect such a policy will have on our economy.

On February 17, 1964 the Democratic administration announced an agreement with the countries of Australia and New Zealand. Since that time, agreements have also been made with Ireland and Mexico. These agreements are most devastating. They guarantee a market for those foreign countries at a level equal to the average of the 1962-63 imports. Imports for these 2 years reached an alltime high. The agreements establish imports at a level which heretofore have brought great injury to our livestockmen and they provide that the rate of imports shall increase as consumption goes up.

The agreements were made on three conditions:

First. That the foreign countries' relative position in the American market not be changed.

Second. That there be no legislation passed by the Congress of the United States which would restrict their imports.

Think of it. An agreement provides that no legislation be passed. That is an agreement not joined in by any Mem-

bers of this body or of the other House of Congress. It is an agreement only by the Department of Agriculture and the Department of State that there be no legislation enacted by the Congress which would restrict imports.

The third condition was that the United States reaffirm its free trade policy as expressed in the Trade Expansion Act of 1962.

These agreements do not call for a rollback in imports; they surrender our interests to the foreign countries.

In March of 1964 several of us joined in supporting another attempt to curb beef imports. Senator HRUSKA spearheaded the drive to amend the Agricultural Act of 1964 so that beef imports would be restricted to a level equal to the average imports for 1958-62.

This amendment was discussed for several days and an excellent foundation was laid for the need for restrictive legislation. Because of the real need for this type of a law, the amendment received great support until the White House moved in and applied the pressure. The Democrats were once again successful in defeating another attempt to bring some protection and relief to a domestic industry. The vote was 46-44 against us, after some votes were changed.

Because the Democrats defeated the Hruska amendment, the western cattlemen were fighting mad and they let their feelings be known. It was then that the democratic leadership in the Senate permitted hearings on this needed legislation.

Hearings were held and the Senate Finance Committee has reported a bill. I am sure that we will hear a lot about the U.S. Tariff Commission's report on "Beef and Beef Products." Some Members of this body even suggest that we could not consider legislation until that report was filed. But, let us set the record straight. That report makes no recommendation and it was never intended that the Tariff Commission would make a recommendation. The report only presents the facts as they exist and have existed. The report sheds little new light on the subject matter. The need for legislation today is great, just as it was 18 months ago when I first started asking for restrictive legislation.

The Democrat administration has done everything conceivable to hide the facts from the American people. I gave a speech on the Senate floor entitled "Political Smokescreen on Livestock Imports," which pointed out some of the tactics used by this administration to divert the attention of the American people from the real problem.

Recently we have witnessed an interesting device used by the Secretary of Agriculture in another attempt to cover up the facts. The incident reminds me of the old saying "figures don't lie, but liars figure."

For many years the Department of Agriculture has measured the quantity of meat imports by the number of pounds of meat inspected and approved by the Meat Inspection Division of the U.S. Department of Agriculture. This is an accurate figure because it properly reflects the quantity of meat released

into our markets and thus placed in competition with domestically produced livestock. Imported meat that does not pass inspection, of course, cannot be sold and thus has no affect upon our economy.

The Department of Commerce measures meat imports by the number of pounds shipped to this country whether it is spoiled, placed in a warehouse, or inspected and sold. If large quantities of meat are shipped to this country and placed in a warehouse, the Department of Commerce tallies it as imported meat. The Department of Agriculture, of course, does not report it as imported meat until it is inspected and ready for marketing.

It does not take much of an economist to see that imported meat, which is stored and not sold, does not affect the price in the marketplace but that imported meat which is inspected and sold does swell the supply of meat and thus forces the price down.

Because such large quantities of beef were shipped into the United States in 1963, the 1964 shipments are relatively smaller. Consequently, the Department of Commerce reports that for the first 4 months of 1964 beef imports are down 11 percent.

Since we received so many large shipments of foreign beef in 1963, portions of it went into storage to wait inspection by the USDA. That meat is now being inspected along with the new shipments and the USDA Meat Inspection Division reports that meat imports for the first 4 months of 1964 are up 26 percent of the first 4 months of 1963. This is the significant figure because it reflects the amount of meat which goes to the marketplace and competes with our livestock products for the American dollar.

Because the responsive and meaningful figures of the Department of Agriculture dramatize the seriousness of the import problem and the ineptness of this Democratic administration, the Secretary of Agriculture has directed his Department to use the Department of Commerce figures.

In spite of what this administration may say the facts are that imports are flooding our markets and driving our prices down.

Those of us who have been working for many months for legislation which will curb the beef imports are heartened by the Senate Finance's recommendation. But let us not forget that this bill has a long way to go before it is law and gives us the assistance we need.

If the Congress does not enact this legislation, the States and municipalities will continue to pass laws as they have done in Wyoming, Nebraska, Kansas, and other States, which restrict the sale of imported meat. These laws are being adopted by the local governments as a protective measure because those people realize the extremely detrimental effect beef imports are having upon their economies.

Let me warn the supporters of this legislation that this bill will probably be passed by the Senate so that some of those who are up for reelection can go back to the West and brag how successful they were in steering through the

Senate a beef import bill. The administration will then try to bury the bill in the House of Representatives. We must remember that this Democrat administration has done everything in its power to kill this legislation and I am convinced it will make every effort to get one of the committees in the House of Representatives to sit on the bill. Because President Johnson so strongly opposes this type of legislation, which would bring relief to the cattle industry, he will veto the bill if passed.

As the Senator from Oregon [Mr. MORSE] said, let the President veto the bill and suffer the consequences.

I think we must give him that opportunity.

Time is running out if this bill is to become law during this Congress. Great pressures will have to be brought to bear on the Democrats who control Congress.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SIMPSON. Mr. President, I yield myself an additional minute.

I assure Senators that the Republican Members of Congress will give this measure their full support when it is properly amended.

I am hopeful that the Senate, after many attempts and failures, will be responsive to the needs of the American people and support this legislation, which will give the needed protection and relief to our domestic livestock industry.

I yield back the remainder of my time.

Mr. McINTYRE. Mr. President, will the Senator from Montana yield me 10 minutes?

Mr. MANSFIELD. I yield 10 minutes to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I commend the distinguished Senator from Rhode Island [Mr. PASTORE] and associate myself with his remarks on the textile situation.

I intend to support the committee amendment imposing reasonable quotas on beef imports.

I am happy that the Congress has finally decided to act to assure American businessmen, and American workers, that their Government is not only concerned about foreign competition which is literally killing American businesses, but that the Government is willing to act on this concern.

The State of New Hampshire is not a major, or even a minor, producer of beef, lamb, or mutton. And yet we gladly join with our sister States to support the bill before the Senate because it is directed at one aspect of the problem which represents the greatest threat to New Hampshire business at the present time, the problem of jobs lost and businesses suffering under a veritable flood of foreign imports.

Mr. President, I supported the principles of the Trade Expansion Act because I believed that expansion of our Nation's foreign trade would be of great benefit to the United States. It was the hope of President Kennedy that due attention would be paid to the problems facing domestic textile and shoe producers. But the domestic shoe and textile situation has grown worse.

The textile industry is of overwhelming importance to the State of New Hampshire. There are 132 textile manufacturing establishments in the State of New Hampshire, employing approximately 16 percent of our manufacturing labor force.

To illustrate the plight which our textile manufacturers find themselves in, I would like at this point in the RECORD to insert letters from the manufacturers and workers themselves. These letters, far more eloquent than any speech which I could make here, testify to the urgent need for action, now, to protect us from the flood of imports.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD nine letters, telegrams, and statements bearing on the business before the Senate.

There being no objection, the letters, telegrams and statements were ordered to be printed in the RECORD, as follows:

TROY, N.H.,
October 14, 1963.

Senator THOMAS McINTYRE,
Washington, D.C.:

Why is action not being taken to control imports of woolen fabrics as promised as long ago as 1960 by President Kennedy and others in the administration? Distressed conditions exist in the woolen industry at least partly caused by foreign imports which have reached the astounding level of 23 percent of domestic production during the 12 months ending March 30, 1963, while imports have been rising Troy Mills order backlog on woolen type fabrics has progressively worsened resulting in curtailment of operations and layoff of workers. Unemployment in our woven fabrics division has reached 50 percent thus adding about 90 people to the ranks of the unemployed. Unless wise controls is exercised by our Government we cannot continue to invest in new and better machines and equipment so necessary for maintaining employment in the future.

F. FULLER RIPLEY,
President, Troy Mills.

KEENE, N.H.,
October 29, 1963.

Senator THOMAS McINTYRE,
Washington, D.C.:

The members of local 16050, TWUA, 400 strong, wholeheartedly endorse the position of the president of Troy Mills, Mr. F. Fuller Ripley, regarding woolen imports as per his telegram sent to you recently. We recommend that prompt action be taken to relieve the present situation that exists in the textile industry today, especially in regard to these woolen imports, as the unemployment situation in this area as regards textiles is nearing a critical stage.

EDMUND B. LAGRENADE,
President.

JOHN O'BRIEN,
Secretary-Treasurer, Local 1560.

A. G. DEWEY Co.,
Enfield, N.H., August 30, 1963.

Senator TOM McINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR McINTYRE: Thank you for your letter of August 26.

The situation with most of us has been steadily deteriorating. Normally and historically, our busiest period has always been during the period of April through September when we are making fabrics for fall consumption. In the 30 years that I have been in the textile business, this has been the worst fall season I have ever experienced.

New orders booked since late in May up to the current time have averaged approximately 60 percent of what we are capable of producing. We did have a small backlog of orders in May which were to be delivered during June, July, and August so fortunately, we were able to run reasonably full until about the first of August. Since then, we have been staggering and limping.

Our order position finally caught up with us and we have run 3 days this week and are going to stay shut down until next week with the hope that we can open again on September 9. We have no assurance of being able to continue production after that date, but are existing on a hope and a prayer that we will.

I cannot blame this entirely on foreign imports but certainly I can blame a large part of this on foreign imports. All you have to do to convince yourself of this is to go into a store like Campion's in Hanover. Practically all of the winter coats and jackets carry the "Made in Germany" or "Made in Italy" label. It is a disgusting situation.

As for your memorandum on meeting the problems of the woolen imports, I agree in part with what you say. Certainly, the loophole through the Virgin Islands should be blocked. It is an advantage of the existing tariff setup. It has no right to be in existence at all.

As for providing 4-percent loans to industries suffering from tariff competitions, it certainly is not going to help us. There is no one in the textile business who would be interested in securing loans to try to keep running when we know that we cannot under present rules and regulations compete with goods made in foreign countries.

The conference on Export Promotion and World Trade is meaningless. It would take a very large subsidy to enable this industry to sell goods in the world market. I can only say this, if the Government intends or expects to do anything for us, the small, independent woolen mill, such action must be taken immediately.

The commercial banking houses that advance us money are getting worried about the independent woolen mill, vendors who sell us raw materials are becoming increasingly strict on their terms. The entire industry is scared and all those associated with it are scared.

I predict many more closings and liquidations by the first of the year, if conditions remain as they are today.

Yours sincerely,
WILLIAM T. DEWEY,
President.

GONIC MANUFACTURING Co.,
Gonic, N.H., January 10, 1963.

Senator TOM McINTYRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR McINTYRE: We own and operate a woolen plant in the city of Rochester. Currently this plant is closed. I need not tell you of the hardship this is bringing to our 350 employees and to the town of Gonic itself. Neither do I have to tell you of the tremendous increase of woolen textiles imported into this country. We can directly attribute our lack of business to the increase of imported fabrics.

In order to properly assess our future, we must know our country's policy regarding trade in woolen textiles and apparel. The President's seven-point textile program gave us assurance that he would consider restrictive measures if market disruption occurred. Recently, at the insistence of our Government, an international wool study group meeting was held in London. Being vitally interested, I attended this meeting as an industry observer. The U.S. delegation explained to the other nations the plight of our industry. In my opinion, before the meeting was over the other nations were

more receptive to the idea that regulation of world trade of wool textiles would work to the benefit of all.

What concerns me today is that our Government has hinted that our problem can be solved by a series of tariff adjustments made within the framework of the new Trade Act. It has been proven in the past that selective tariff adjustments do not solve the problem in the textile industry in that disruption mover from one type of fiber or fabric to another. The only true solution to effective regulation of world trade in textiles is through the means of quantitative limitations.

Market disruption has occurred. Our market has been absorbed by imports. Our plants are closed and time is of essence. The President has indicated his concern and this concern has been transmitted to foreign nations.

I plan to be in Washington next week and will contact you then.

Sincerely,

FULTON RINDGE, Jr.,
Treasurer.

NORTHERN TEXTILE ASSOCIATION,
Boston, Mass., August 29, 1964.

Hon. THOMAS MCINTYRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCINTYRE: I was glad to talk with you the other morning about the wool textile situation.

I have your letter of August 26 and your memorandum on steps that may be taken to control the flow of wool textile imports.

As you pointed out, both at the beginning and the end of the memorandum, a system of quotas, whether arrived at either by an international agreement or by unilateral action, is necessary to solve this problem. It appears now that the Italian, British, and Japanese Governments are not going to voluntarily agree to limit exports to this country. If the industry is to be saved and the President's commitments are to be carried out, he will have to use the authority under the OEP to act unilaterally.

The Office of Emergency Planning is a branch of the executive department and unlike the Tariff Commission, is under the control of the President. A favorable finding by the OEP on our petition will, as you point out, give to the President ample authority and power to restrain imports and halt the loss of jobs.

I know that you and other Members of Congress from New England will continue to urge the President to use this power which Congress delegated to him in the Trade Expansion Act.

The Virgin Islands and the "braid" loopholes certainly should be plugged by legislation. I don't believe that the tariff reclassification will affect the "braid" loophole. It is difficult to understand why these loopholes are permitted to continue at a time when the industry is being disrupted by regular imports. I hope you can persuade the administration to give its support to both bills as well as the companion bills in the House and to stop this further drain on our jobs and resources. We certainly don't need the consent of foreign governments to take care of this situation.

As for the 4-percent loans to provide funds for trade adjustments assistance, I am of the opinion that this offers no help. If our Government continues a policy of turning the domestic market for wool products over to low-wage foreign producers, no one is going to borrow money at 4 percent or even less. Besides, the trade assistance program requires lengthy Tariff Commission findings on a piecemeal basis, and it now appears that the Tariff Commission is not going to make such findings. In any event, the time involved under the critical condi-

tions existing in the wool industry makes this route useless.

Further investigations either by the Library of Congress, a nationwide committee, or a joint committee on trade are hardly necessary in our situation. The very thorough investigations and reports by the Pastore committee, as well as those made by the President's Cabinet Committee, cover the subject thoroughly and recommend the only solution to the problem; namely, restraint of imports by country and by category.

As you point out, other nations know how to take care of their own interests and "the time for vigorous action on wool has long been at hand" in this country. I certainly hope that restraints will be established within the next 30 days, and we all appreciate that you share this sense of urgency.

Kindest personal regards,
WILLIAM F. SULLIVAN,
President.

HOMESTEAD WOOLEN MILLS, INC.,
West Swanzy, N.H., February 19, 1963.
Hon. THOMAS MCINTYRE,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: We at the Homestead Woolen Mills are very upset at the delay in getting anything definite done to help us combat foreign competition.

The imports of woolen cloth for 1962 were 80 percent over the year 1961, and now we understand that there is a good possibility that the question of imports will be shunted into the Tariff Commission for their consideration.

If the Tariff Commission should get this problem, it would, we feel, delay action and what we need in the woolen industry to survive is action and protection from foreign competition.

We hope that you are sympathetic to our predicament, and we would appreciate your assistance in getting quick action and relief.

Yours very truly,
G. K. BROWN,
President.

HARGO WOOLEN MILLS, INC.,
Keene, N.H., February 18, 1963.
Hon. TOM MCINTYRE,
Senator from New Hampshire,
Washington, D.C.

DEAR SIR: We are very much disturbed with the woolen textile situation. Our sales have been dropping to a critical point. We employ 350 people in New Hampshire, and the import picture and lack of action brings us to the point of whether or not it would be worthwhile to liquidate. According to the Government reports imports of wools rose 80 percent over the 1961 figures.

Newspaper reports indicate that the President's wool program may be turned over to the Tariff Commission, which indicates a "passing of the buck" and another very critical delay with the possibility of sidetracking the President's program entirely.

It is imperative that the President's plan be implemented as soon as possible so that our woolen industry can survive.

Respectfully,
B. H. ERSKINE,
President.

FRANKLIN, N.H.,
March 29, 1963.
Hon. THOMAS MCINTYRE,
U.S. Senate,
Washington, D.C.

SIR: By the time you receive this letter you will undoubtedly have been informed of the closing of the J. P. Stevens & Co., Inc., Marland plant, in Andover, Mass., eliminating nearly 500 jobs with resulting hardships

on the families, to say nothing of the capital investment loss to this great company.

Over the last few years we have heard rumblings of the effects of foreign imports on our country's textile industry and other industry. It is now apparent that there is a real threat to this country's well being and some action must be taken to stop it.

With the billions of dollars the American people have paid in taxes to help other countries, it would now appear that it is being thrown back in their faces in the form of unemployment because of the failure of our Government to enact legislation to control low-cost foreign imports.

Right here in the Franklin-Tilton area we have 2 Stevens plants employing 650 people. Under present governmental import laws we can see the same thing happening here within a few years unless something is done. The closing of these plants would be disastrous to this area.

I feel it is imperative that the New England delegation in Washington, led by our New Hampshire Congressmen, must find the solution to this problem and solve it.

I would be interested in knowing what has and what will be done to eliminate this foreign import threat to our economy.

Sincerely,
R. E. CLOSSON.

NEWS RELEASE, MARCH 27, 1963

ANDOVER, MASS.—The following announcement was made today by John P. Baum, vice president of J. P. Stevens & Co., Inc., and officer in charge of manufacturing of the company's woolen and worsted division.

"After many months of painstaking appraisal and after exhausting all other alternatives, we have reluctantly reached the conclusion that we must discontinue operations at our Marland plant in Andover, Mass. Work now in process there will be run out and the plant will then be closed down. It is with the deepest regret that we have reached this decision as it affects the current employment of 453 people.

"This decision is unavoidable in view of the losses which the Marland plant has sustained over the last several years due to the disastrous effect of imports from low-wage countries. As an illustration, fabrics from Japan similar to those made in the Marland plant were offered freely in the domestic market at prices approximately 40 cents per yard under our actual cost.

"The losses of the Marland plant have occurred despite the fact that the machinery and equipment is thoroughly modern. Capital expenditures of \$1,450,000 have been made in the Marland plant since the Korean crisis.

"The closing of the Marland plant with the resultant loss of textile employment is another example of the excessive burden of foreign imports on the American textile industry, and its employees. This steadily increasing volume of imports of woolen products reached an alltime high during 1962, when imports were approximately 20 percent of domestic consumption. We, as well as others in the American woolen and worsted textile industry, have hoped for some time that positive action would be taken to correct these inequitable foreign trade problems. To date no such action has been taken.

"This action constitutes a further erosion of the textile industry's capability to supply the Armed Forces in the event of an all-out national emergency; for example, during World War II and the Korean crisis, the Marland plant was largely engaged in the production of uniform materials and blankets for our country's Armed Forces.

"It is hoped that responsible Federal Government officials will take the necessary corrective action to solve the woolen and wor-

sted import problem before additional American mills are forced to close.

"It is our intention to exert our maximum effort and to utilize our fullest resources to maintain full operation in all of our remaining plants."

Mr. McINTYRE. Mr. President, these letters represent a minute fraction of the mail which I have received from New Hampshire citizens concerned with the plight of our domestic textile industry. Note that they came from owners of factories, from labor unions, and from interested citizens. They all are aware of the threat.

A year and a half ago, we were assured that the proper way to solve our problem was through negotiation with other nations. No negotiations have yet been concluded which have in the slightest bit improved the situation of the textile industry. Approval of textile import quotas now would not prejudice any negotiations; obviously the Congress can repeal any law which it has passed. But approval of such quotas would bring immediate relief to an important American industry, and it would serve notice on those countries involved that they had better give some real earnest consideration to a plan of voluntary quotas in those areas of American business where imports are taking not a reasonable share of our market but are threatening to engulf it.

Mr. President, it is high time that the Congress does something to protect the American textile industry from foreign competition. I strongly support the position of the Senator from Rhode Island and that of my distinguished colleague from New Hampshire.

We in New Hampshire are also concerned about our shoe industry, for here too the flood of imports is bringing about the closing of plants and the loss of jobs to New Hampshire citizens. My distinguished colleague from Maine, Senator MUSKIE, has indicated his concern today with the shoe problem and I wish to applaud his remarks and to associate myself with them.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. McGEE. Does the Senator from New Hampshire believe that support of the beef quota amendment would set a precedent or show the way for similar kind of pressure that might save the woolen and woolgrowing industries in this country?

Mr. McINTYRE. I have concluded after studying all the equities involved that, with a lack of action and help for the textile industry, I shall support the amendment. This will clearly show the countries that are exporting woolen textile products to us and hurting our own markets that we do have an alternative.

Mr. McGEE. I have been deeply involved in that same question. Coming from a wool producing area, I point out that we are vitally concerned in preserving a strong wool textile industry, since our market is entirely confined to the domestic woolen textile industry. I believe that it is a wise and a statesman-like move on the part of Senators from

the textile areas to separate that interest from this particular amendment at this particular time. I believe that is a shrewd tactic. I believe it is wise politics. I should like to identify myself with the same approach.

I believe it shows how important it is that there be action on the woolen imports question. We cannot go into that problem incidentally or in a roundabout manner, with too much additional delay. The problem has already existed for too long.

I shall continue to link myself with that same endeavor and drive. We held meetings with President Kennedy on several occasions, and now, more recently, with President Johnson. We are hopeful that we can resolve the question successfully.

Mr. McINTYRE. I am well aware of the Senator's concern in directing the attention of the administration to the plight of the textile industry. I thank the Senator very much for his kind remarks about the position I have taken.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. GORE. Mr. President, I offer an amendment, which I ask the clerk to state.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all in line 7 down through line 10 on page 6.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MANSFIELD. Will the Senator from Tennessee yield for the purpose of allowing me to offer a substitute amendment?

Mr. GORE. I yield for that purpose.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment, and ask unanimous consent for its immediate consideration.

Mr. GORE. I yield for that purpose.

The PRESIDING OFFICER. Does the Senator from Montana submit an amendment to the Gore amendment?

Mr. MANSFIELD. As an amendment to the Gore amendment.

The PRESIDING OFFICER. Has the Gore amendment been set aside temporarily? Was that the request?

Mr. MANSFIELD. No. My amendment is an amendment to the amendment offered by the distinguished Senator from Tennessee.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. It is my understanding that the Senate is now operating under a unanimous-consent agreement, with 1 hour on each amendment.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that there is a time limitation in effect.

Mr. ALLOTT. If that is true, I should like to know if it is in order to offer an amendment to an amendment until all time on the original amendment has been exhausted.

The PRESIDING OFFICER. By unanimous consent an amendment may be offered.

Mr. ALLOTT. There is no unanimous-consent request before the Senate, is there?

The PRESIDING OFFICER. As the Chair recalls, such a request was made. Mr. ALLOTT. May I inquire who made the request?

The PRESIDING OFFICER. The Senator from Montana [Mr. MANSFIELD].

Mr. ALLOTT. I am only trying to get the situation in my mind. I was present. I did not hear the Senator from Montana make such a request. I have no objection to it. I merely wish to ascertain what the parliamentary situation is.

Does the Chair now state that the Senator from Montana [Mr. MANSFIELD] has made a unanimous-consent request that he may offer his amendment to the Gore amendment, without first exhausting the time on the original amendment?

The PRESIDING OFFICER. By unanimous consent, will the Senator from Colorado suspend for a moment?

Will the Senator from Montana withdraw his amendment?

Mr. MANSFIELD. Yes; I wish to withdraw the amendment, and then, under time on the bill, to yield 10 minutes to the Senator from Texas [Mr. YARBOROUGH], but only after the questions raised by the Senator from Colorado are answered.

Mr. ALLOTT. I now withdraw my inquiry.

Mr. MANSFIELD. I yield 10 minutes to the Senator from Texas [Mr. YARBOROUGH] on the bill. I understand he is on his way to the Chamber.

In the meantime I yield 3 minutes to the Senator from Wyoming [Mr. McGEE].

Mr. McGEE. Mr. President, the issue we debate today is indeed a complex one. Like most issues, it has no single solution, but, instead, should be approached from several angles at once. So I would begin my remarks by saying that should this amendment be adopted and these quotas effected, the problems of the cattleman and the stock feeder will not be over. But, Mr. President, I sincerely believe this amendment is a major and a constructive step toward bringing these problems down to a manageable level.

I do not think this amendment will touch off any massive retaliation by the nations it would affect. Rather, this amendment, this quota, serves notice to these foreign producers that they must gear their export production to us to the amount that we can successfully absorb without detriment to our domestic industry. This is not a case of protecting a fat and sluggish domestic industry that is uninterested in meeting new demand and new challenges in our free-enterprise system. I hold that our cattlemen have been second to none in the ingenuity with which they have attempted to cut costs and increase efficiency to meet this new competition.

It is important that we consider the whole problem of the cattleman. Before I speak directly to the question of this

amendment, I should like briefly to consider some of the other things that have been done and are being done to improve the cattleman's situation.

One activity, now underway, is the creation of a National Commission on Food Marketing. As the sponsor of this legislation—which indicates President Johnson's concern with this problem—I am pleased to note that the President has acted with dispatch in appointing the Commission members; and actual work should begin in the near future. In the hearings on this measure before the Senate Commerce Committee, most of the testimony concerned the developments over the past 2 years in the price of beef to the producer and the existing correlation between that price and the price to the consumer. The Commission, with a sizable body of information already collected through these Senate committee hearings, should immediately be able to address itself to the domestic market factors which may have had an unhealthy effect upon the price of beef.

Another welcome activity is the buying program instituted by the Department of Agriculture, which will purchase as much as 480 million pounds of choice beef this year. The implementation of a Defense Department policy of buying only domestic beef should result in increased purchases of 110 million pounds in the coming year.

President Johnson, who is no stranger to the problems of the cattleman, has taken direct action, by creating a market study mission composed of cattlemen and others in the cattle industry who went overseas in search of new markets for American beef. At the present time, the price of beef is reaching astounding heights in parts of Europe; and this mission is investigating the possibility of our competing in that market. With the price of beef at \$2.52 a pound in France and \$1.40 a pound in England, I think there is a real opportunity for us there. In fact, the first boatload of beef has already been delivered. I realize that European tastes call for a different grade and type of meat; but I, for one, believe that the American cattleman is capable of adjusting to these new challenges and of competing successfully in new markets. A full-scale attack on many of the domestic problems of the cattleman was launched with the report of the National Advisory Committee on Cattle. This blue ribbon committee was composed of men who know the American cattle industry and its problems.

The committee recommendations included the promotion of and the step up of the Government purchase programs and exports which I have already mentioned. A third suggestion was that the U.S. Department of Agriculture institute changes in beef grading, to deemphasize maturity as a grading factor, and to encourage marketing of lighter cattle. I believe this is one of the most important of the group's suggestions. It seems to me that when price conditions force a feeder to keep feeding to heavier weights even when he will not get back the money he put into the extra feed, something must be done to encourage the sale of

these cattle before they are so large. A recent report by a group of Iowa State University economists shows that by reducing market weights by 50 pounds a steer, the price of choice steers could be raised by about \$1.30 a hundred.

The committee also urged continuation of all attempts to cut back foreign imports and to spread those imports around to various ports of entry, so that no one section of the nation—and I shall not remind Senators which part of the nation is closest to Australia—has to bear the brunt of this competition.

However, there is a basic difference that makes it impossible for our producers to compete on exactly even terms with those of Australia and New Zealand. I speak of the differences in the cost of production. It has been the policy of the Australian Government actively to encourage the development of its beef industry, by opening up large areas of its "brush" country for development as cattle lands. These lands can be improved, at very low cost, into first-class pasture lands, and are available on long-term, low-cost leases of up to 50 years. The Government also assists in predator control and in the construction of stock-water reservoirs and well drilling along stock routes. A favorable tax policy allows the cattleman from "down under" to write off, as operating expenses, the costs of fertilizer, brush elimination, and other expenses which in the United States are classed as capital improvements.

Taking all these things into consideration, it has been estimated that the average Australian cattle producer spends about 11 cents per head per year for the cost of the land on which he produces his animals. The equivalent cost for an American producer—in this case, the land costs in producing a 400-pound calf—is \$27. The difference is more than \$26. And most American cattlemen figure that the land costs are about one-third of all production costs.

All these factors make it possible for the Australian cattleman to produce lean beef at a price that his American counterpart cannot possibly compete with, even considering the expense involved in shipping halfway around the world.

It is true that this meat is of the lean processing grades that usually go into sausage, luncheon meat, and hamburger; and the argument has been advanced that since American cattlemen are producing a highly finished "fed" beef animal, he is not in direct competition with the lean beef that makes up the bulk of our imports. This is an interesting argument, but it ignores the fact that even the most choice fat steer is not 100 percent steaks and roasts. Between 25 and 30 percent of each fat steer eventually winds up as hamburger or processed meat; 60 percent of the hamburger eaten in this country is derived from fed beef.

In the second place, the imports of the lean beef have the unhealthy effect of encouraging the domestic producer to hold onto animals that he would normally cull from the herd, for sale as utility beef, and to fatten them for the fed-beef market. This also creates the temptation, which should be, but cannot always be,

resisted, to increase the weight of the fed steer, in hopes of lessening the loss on each animal.

In direct competition with this imported beef is the 15 to 20 percent of an average stockman's cowherd that should, in the interests of good management, be sold every year, as the animals grow too old or must be replaced for other reasons. Not only are these animals in direct competition with imported beef, but they must be replaced in the cowherd by animals that otherwise would have been sold as higher priced feeder stock.

It seems to me that the necessity for this amendment is based upon the inescapable conclusion that in this country we must have a viable cattle industry. That industry is now hanging on by the skin of its teeth. To say that perhaps as the cycle changes prices will improve, is mighty thin assurance on which a man can continue to invest his life's savings and his life's experience. We must offer these men a chance to compete on realistic terms with other producers, both foreign and domestic.

I think the foreign producers are willing to work with us to effect a realistic compromise that will permit all concerned to exist in a stable relationship with each other. It has been noted that already this year there has been a sizable decline in imports. The drop has approached 25 percent already this year, and foreign producers have indicated that the cutbacks may be increased up to 27 percent for the rest of the year. This figures out to a 225-million-pound reduction for the entire year. This trend has been cited as an indication that the majority leader's amendment is unnecessary. I would take the position that this drop indicates that the foreign producers can make accommodations to preserve their basic interests, without hard feeling or without immediate retaliation in a quota or higher tariff of their own in another field.

This trend of voluntary reductions to me that there can be found a meeting place between the 3.9-percent import rate of 1957 and the 12-percent rate of 1963; and I think this amendment can provide that compromise figure, and can establish it fairly and distinctly, so all will know where they stand. I do not think a quota that provides for increases as the domestic market grows, so that by 1966 or 1967, imports would equal those of the big import year of 1963, could be construed as harsh or unfair.

We have always maintained excellent relations with these two nations "down under." They have been sympathetic with our problems, and I think they will continue to be sympathetic. It is certainly better to face this problem now, when it can be accommodated with an adjustment, rather than ignore it until a complete catastrophe results in a major upheaval of both domestic and foreign production, with far greater hardships to all concerned.

Mr. President, this measure results from an extreme emergency in the American cattle industry. I am one who supports the idea that our American free enterprise system must be a leader in

trade between nations, and that international trade is a necessity for a modern industrial nation if it is to maintain its economic growth. I would not support this amendment if I believed there was a chance that it would seriously damage our ability to trade with other nations or would set back the negotiations for more free trade among nations. I sincerely believe it will do neither. In fact, I believe that within a few years the world demand for meat will make agreements such as this unnecessary. But we are dealing with the here and now; and that requires some adjustments for the survival of the American cattleman.

As I said at the beginning of these remarks, this amendment is no panacea for the ills of the American cattleman; but it is a needed and constructive step that will assist him in putting his enterprise to work in a profitable and productive fashion. I have often said the cattleman is not looking for favors or handouts or protection from all competition. What he seeks is a chance to compete on even terms with other meat producers, both foreign and domestic. The Mansfield amendment is a step that will assist him in achieving that objective.

The PRESIDING OFFICER. The Senator from Texas [Mr. YARBOROUGH] is recognized for 10 minutes.

Mr. YARBOROUGH. Mr. President, the American cattle industry is in a state of crisis that has steadily worsened over the last several months. The price per hundredweight for beef cattle fell over 25 percent from 1962 to June 1964.

Simultaneously, the production of beef cattle has risen steadily in the last several years. The total number of beef cattle in this country reached a new high of 79 million in 1963. Furthermore, the average weight of cattle sold at the major livestock markets has increased, with the average steer now weighing over 1,000 pounds, fed to higher weights in an effort to meet competition from increasing foreign meat imports.

While this domestic production has gone up, its rate of increase has been slow compared to skyrocketing imports of foreign meat, which increased 16½ percent in 1963, in 1 year alone. In 1963, foreign meat imports amounted to 11 pounds out of every 100 pounds sold in the American markets.

When the American housewife bought that 11 percent of imported meat, it was not labeled so she could tell it was foreign meat, so she could tell it was tougher meat—and she was paying the American price for it—and it was not as good as domestically produced, corn- and grain-fed meat which was brought to a high state of tenderness.

The Mansfield amendment, which is in essence S. 2525, deals with these problems by restricting the import of foreign beef to the 5-year average for the years 1959–63. I am a cosponsor of this important piece of legislation, under the leadership of the distinguished majority leader, the senior Senator from Montana [Mr. MANSFIELD], for the purpose of relieving the members of the depressed cattle industry.

As my cosponsors on the amendment have clearly shown, one of the major causes of this overabundance of American meat on the market has been the importation of beef from Australia, New Zealand, Ireland, Mexico, and Argentina. Whereas the total beef and veal imported in 1957 was 616 million pounds, in 1963 beef and veal imports came to more than 1.7 billion pounds—a threefold increase in those 6 years.

This imported beef comes primarily from range-fed cattle, and does not generally compare with the high quality of American cattle coming from the feed lots. Imported meat is thus used mostly for grinding and in package processed meats. The result has been excessive competition in utility grade beef, and it has forced American cattlemen to hold back their older cattle for another year, in hopes that prices will rise later. Similarly, in an attempt to compensate for the falling price of beef, the American cattleman has felt forced to feed his cattle more, to raise their average market weight.

Just as his sharp increase in imported beef has been a major cause of overproduction, it has also had a significant effect on the price of beef. As I indicated above, beef prices have fallen over 27 percent since 1962. If the price continues to fall at the present rate, American cattlemen can expect to receive only \$15 per hundredweight in 1966.

I invite attention to current livestock quotations on meat prices. I do this because we have often heard it said that the imported meat is lower grade meat. In other words, it is contended that the imported meat is the meat that is used in hamburgers. It is said that the fine meat is produced in America, and therefore the imported beef is not competitive.

Certainly high grade steers are American grown and command higher prices, but they represent only a small percentage of the cattle market.

I read from the AP report published in the Dallas Times-Herald of July 22, 1964. These are quotations from the livestock market at Fort Worth, one of the large livestock markets in the country:

Cattle, \$1,600; calves, \$400; few good slaughter steers, \$20 to \$22; part load low grade slaughter heifers, \$20 to \$50; utility and commercial cows, \$9.50 to \$12.25. These prices are per hundredweight. The utility and commercial cow meat is the meat that is ground, and enters into competition with foreign meat.

Utility and commercial bulls, \$14.50 to \$15 a hundredweight; standard and good slaughter calves, \$15 to \$19.25; medium and good feeder steer calves, \$16 to \$19.25; medium and good feeder heifer calves, \$14 to \$15.50.

The high-grade steers, at \$22, are the ones we hear about. Those are the ones that the Department of Agriculture always cites when we are trying to pass a measure of the kind that is now before the Senate. They quote only the prices for the high-grade steers that are used in the steaks that are served at expensive banquets. Ground meat is highly competitive. That is why our domestic cattle operators withhold calves from the

market and try to feed them up to the steer grade, and put more beef on the market, at greater expense to the domestic producers.

The translation of these statistics into their effect on the Texas cattleman presents a grave picture. Of the \$2.5 billion total agricultural cash receipts in Texas in 1963, over 44 percent, some \$1.1 billion were for the sale of livestock and livestock products. Of the \$1.1 billion, more than 60 percent, almost \$660 million, comes from the sale of cattle and calves. This is not the high-grade steak steers. In 1962 and 1963 Texas farmers marketed an average of 3.6 million beef cattle, 13 percent of the Nation's total.

Thus Texas cattlemen have received 13 percent of the total national impact of falling cattle prices. Texas has borne the brunt of the detrimental effect of the overimportation of foreign meat.

According to a recent Agriculture census, there are some 180,000 Texas farms and ranches with cattle, using some 112 million acres of land for grazing. In our State, a very great many of these acres cannot be put to any use other than grassland for livestock.

Of a total of 170 million acres of land in our State, 112 million acres are devoted to grass, as against farming, timber, and other uses. In our State a great many acres cannot be put to any other use than grassland for livestock raising. That is because on the eastern fringe of our State the rainfall is 60 inches a year, whereas in the western counties it is less than 9 inches a year. In our western areas, because of the paucity of rainfall, the land cannot be used for any other purpose than grazing.

It is the only income that can be derived from the land; the economies of many communities are entirely dependent on the economic condition of the beef cattle industry.

Production costs have increased much more rapidly over recent years than have livestock prices, at their better levels. At present, our Texas A. & M. University's studies show that a west Texas producer must sell his calves at an average of \$26.40 per hundred pounds to just recover his costs; the equivalent figure in east Texas is \$25 per hundred pounds. But in January 1964, the U.S. Department of Agriculture reported that Texas ranchers received an average price for calves of only \$21.20 per hundred pounds. We know that conditions have been worsening, but even in 1962 the USDA reported that the average southwestern cattle ranch had a net loss of \$823 without any credit for family labor and management.

Since Texas is the largest cattle producing State, we have suffered the most from the crisis in falling prices. But this is not only Texas' problem; it is a national one. The cattle industry is the bone and sinew of American agriculture.

A depressed condition in the agricultural sector of the economy backs up to affect the entire economy. Farmers invest \$26 billion annually in goods and services. They are the largest consumers of steel, oil, gasoline, and auto equipment. Declining income to cattlemen

depresses their purchasing power and affects all these industries.

Not only are beef imports causing immediate problems to our economy, but their damaging effect may be felt for many years to come. Our rising population will put increasingly great demands on farmers for more and more beef. The depressed cattle industry, suffering from excessive competition, will be hard pressed to meet the increasing demands of a growing population.

Some have said that the imposition of quotas on beef imports will harm our efforts in the Kennedy round of the General Agreements on Tariffs and Trade. Others have accused those of us cosponsoring S. 2525 of trying to play favorites and give the American cattle industry an advantageous position over foreign beef producers.

In response to the first charge, it would be ridiculous to presume that the other countries cooperating in the General Agreements are expecting us to sacrifice the well-being of a vital sector of our economy.

Concerning the second charge, we are not asking for favoritism; we are only seeking to give the cattle industry a fighting chance. It is general knowledge, for instance, that through Government subsidies, Australian farmers have to spend far less to raise cattle than do their American competitors. The difference in cost of land per head of cattle amounts to \$26 between Australia and the United States.

It is also the case that Mexican and Argentine successes at combating the hoof-and-mouth disease can be expected to result in much greater exports of beef to the United States. No informal agreements have been made with these two countries.

We are only asking that American cattlemen be put on an equal footing in this excessively competitive situation.

The efforts of Secretary of Agriculture Orville Freeman and the administration to alleviate the problem are to be commended. But they are not enough. Without a meaningful quota on the import of foreign beef, the problems of the American cattle industry will become far more serious.

Mr. President, I urge the adoption of the Mansfield amendment. Action is called for. The measure of the majority leader is the right measure for that action.

Mr. HRUSKA. Mr. President, I yield 5 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I am highly appreciative of the courtesy of the distinguished majority leader in yielding to me at this time, so that I may attend a conference committee meeting on the Alaska rehabilitation bill scheduled to convene in a few minutes.

I rise to support the bill which is now before the Senate. It seems to me that the committee has performed a noteworthy service in this particular instance. I believe it is noteworthy because it breaks down the imports of meat into its various classifications: first, fresh, chilled, or frozen beef; second, fresh, chilled, or frozen meat of goats and sheep; third, fresh, chilled, or frozen

lamb; fourth, sausages; fifth, prepared or preserved beef and veal.

In addition, the bill provides for the adjustment of quotas when the average price equals or exceeds 90 percent of the average parity price in each of the various categories.

I find this to be reasonable and fair, and something that should be done. In other words, if the prevailing market prices were 90 percent of parity, the quotas would be adjusted upward proportionately with the increase in consumption. This is equitable, not only to our own growers and feeders, but also to the importers.

I find one further provision in the committee bill which I believe to be wise. It is found in section 3(d), which provides that if the Secretary of Agriculture determines that the importation of any of the classified articles are causing a present disruption of the orderly operation of the market, he may impose calendar quarter quotas, and such quota shall be prorated over each such quarter on a monthly or more frequent basis. If this authority granted to the Secretary, is judiciously exercised it should go a long way toward relieving market instability.

I wish to comment very briefly on the general subject of meat imports that is before the Senate today.

On March 5 I commented on this subject, as shown by the CONGRESSIONAL RECORD. At that time I called attention to the table on the balance of trade on beef I inserted in the RECORD at that time. It disclosed that in 1960 imports of beef to the United States were 413.8 million pounds, and exports were 10.2 million pounds. We were then importing 403.6 million pounds more than we were exporting. However, in 1956, only 4 years prior, we exported 38 million pounds more than we imported. In other words, the situation had completely reversed—from a net exporting Nation we have become a net importing Nation, and importing on a grand scale. The table which I offered at that time graphically illustrates exactly what has happened to the beef, veal, lamb, and mutton markets.

In concluding these brief remarks, I wish to say that we do not have to look far to find what the policy of the State Department has done to the industries of this country. We have seen their effect in the steel industry. Particularly, we in the West are aware of what has been the effect on the mining industry of the West.

I am not here to discuss mining, but our lead and zinc producers have been to the Tariff Commission time and time again asking for relief, and as a result of State Department policies, the great majority of the lead and zinc mines in the West have been closed—in effect, destroyed, despite the few spots where there are huge mining interests at the present time. Practically speaking, a great and effective part of the mining industry in the West has been destroyed.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. HRUSKA. I yield an additional minute to the Senator from Colorado.

Mr. ALLOTT. Mr. President, unless we receive some sympathetic support by means of legislation to assist the cattle, beef, mutton, and veal industries, we shall suffer a similar destruction of the beef industry in this country. There is no reason why the cattle and meat industry of this country should pay for the so-called advantages we are supposed to derive from our trade negotiations.

I predict that unless we take action—action which becomes law—the beef, veal, mutton, and lamb producing industries of this country will be irrevocably hurt.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Tennessee.

Mr. GORE. Mr. President, I withdraw the amendment I previously offered and now offer the amendment which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Beginning on page 2, line 8, strike out all down to and including line 6, on page 8, and insert the following:

"The total quantities of beef, veal, and mutton (in all forms except canned, cured, and cooked meat, and live animals), lamb and dairy products originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963:"

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment to the Gore amendment to H.R. 1839 and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator from Montana ask unanimous consent for that purpose?

Mr. MANSFIELD. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment to the amendment will be stated.

The legislative clerk read as follows:

In lieu of the language proposed to be inserted by the Senator from Tennessee [Mr. GORE], insert the following:

Sec. 3. The total quantities of beef, veal, and mutton (in all forms except canned, cured, and cooked meat, and live animals) and lamb originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: *Provided*, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture.

Mr. MANSFIELD. Mr. President, I yield myself 10 minutes.

The amendment I have just offered was formerly known as amendment No. 465 to H.R. 1839 and, as such, was pre-

sented to the Committee on Finance several weeks ago. Prior to that time—last February, I believe—it had been introduced as S. 2525. Since the introduction of the bill and since the hearings were concluded in the Committee on Finance, that committee has seen fit to substitute for the proposal which I offered a proposal suggested by the distinguished junior Senator from Nebraska [Mr. CURTIS].

On February 20 I introduced S. 2525 on behalf of myself and a number of other Senators. The purpose of the bill was to establish restrictions on imports of beef, veal, and mutton into the United States, based on the annual average of those items imported into this country during the 5-year period ending December 31, 1963.

I reintroduced that proposal as an amendment to H.R. 1839, a tariff proposal passed by the House of Representatives and then before the Committee on Finance. The amendment which I offered had been rewritten to include lamb as one of the meat items to be protected. There was every indication that the lamb industry was deserving of the same treatment as beef, veal, and mutton.

Until recent years, the beef industry has been blessed with a somewhat healthy economic situation, with little interference from outside interests. Beef prices were dropping at the time this proposal was before the Committee on Finance. Since that time, beef prices have increased to some extent, especially during the past month or so. In my opinion there is a very definite relationship between prices and increased imports, although that is not the complete picture. If we want the complete picture, we must deal with such factors as overproduction, overfeeding, and the raising of cattle as a subsidiary economic interest by sideline ranchers who are primarily doctors, lawyers, and the like.

But recognizing that the continuance of such an important trend might be quite harmful to the domestic livestock industry, some Members of this body began to explore the possibilities of administrative relief through negotiation or the implementation of the Tariff Act. Those negotiations were not successful in any substantial degree because, evidently, it is the belief of the U.S. Tariff Commission that so far as the domestic industry is concerned, it is to receive little, if any, protection from outside sources.

In Australia there is a counterpart of the U.S. Tariff Commission. At any time, and with no notice whatsoever, it can cut off imports into that country entirely.

As I have said, the negotiations were not successful in any substantial degree. The voluntary agreement with Australia, New Zealand, and Ireland did little, if anything, to relieve the situation. This agreement merely guarantees the importers a future market at levels higher than at any time in history.

In view of the continuing decline in prices at the time I appeared before the Committee on Finance, I felt that it was time for Congress to intervene. I am not suggesting that a program of sup-

ports and controls for the livestock industry be established; but I believe that if we can establish a limitation on imports of beef, veal, mutton, and lamb, the industry will again be able to plan, knowing what to expect in the way of foreign imports. To be perfectly frank, if this can be done, the domestic producers will again be responsible for regulating themselves in areas of total production, marketing practices, and consumer sales and preferences.

After consultation with various interested parties, including Bob Barthelmess, president of the Montana Stockgrowers Association, Bill McMillan, of the American National Cattlemen's Association, Senator William Mackay of Carbon County, Mont., Ralph Miracle, secretary of the M.S.G.A., and many individual ranchers all over the State of Montana, it appeared to me that a quota based on the average of the last 5 years—1959 to 1963, inclusive—would be most reasonable. This period reflects current trends in imports, without giving special consideration to the highest year on record, which was 1963. If the formula in S. 2525, which I originally introduced, and the amendment which I presented to the Committee on Finance, and which is now before this body, were adopted, it would mean that in 1964 foreign suppliers would be able to export to the United States 867,400 pounds of beef, veal, mutton, and lamb.

This would give the importers about 6.9 percent of the domestic market according to Department of Agriculture statistics. This would be a 33-percent reduction in imports under 1963. In that year, total imports of beef, veal, mutton, and lamb reached 1,204,800,000 pounds. What is even more alarming is that if there are no controls, the imports could easily reach 1,322,900,000 pounds in 1964. The voluntary agreement recently announced will reduce imports this year by about 70 million pounds as opposed to a reduction of 337 million pounds if the 5-year average was adopted.

The provisions of my amendment make allowances for the importers to have their corresponding share of our increase in domestic consumption. The amendment as written excluded canned, cured, and cooked meat, and live animals. However, many representatives of the industry feel that there should be comparable quotas in this area. The committee, I am sure, will check into this situation.

Not only did they check into it, but they also reported the Curtis proposal, which goes into detail covering this and other related matters.

Mr. President, I recognize that the United States is engaged in delicate negotiations in conjunction with the negotiations and the implementation of GATT. We do not intend to upset the applecart, but we must also protect the interests of our own, especially those in economic difficulty. I believe that every major importer nation of beef has some form of protective device for its livestock industry. I think that it is reasonable to ask the same for our livestock industry.

Mr. President, I should like to read at this time Resolution 2, which was passed at the annual gathering of the Montana Stockgrowers Association at Great Falls, Mont., earlier this year.

The resolution reads as follows:

Whereas during 1963 beef imports into the United States amounted to 11 percent of domestic production, as compared to 1.8 percent of domestic production in 1954, a total import which exceeds the total of all cattle in the State of Montana, and which would provide for an average annual per capita consumption for 20,570,000 Americans; and

Whereas the excessive imports have seriously affected the price received by the beef growers and feeders and such prices have declined at least 25 percent in the last year, resulting in prices below the cost of production and in reduction of income to Montana's economy in excess of \$27 million; and—

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield me 5 minutes more?

Mr. McCARTHY. I yield 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 5 additional minutes.

Mr. MANSFIELD. Mr. President, I continue reading from Resolution 2:

Whereas the Montana beef producers, like other producers and businesses, are obligated to pay fixed capital and labor costs and expenses over which they have no control, and such reduction in prices places in jeopardy the livestock industry in Montana, one of the bulwarks of our free economy, and will endanger the initiative and perseverance of countless citizens; and

Whereas no permanent solution of this import problem has been proposed by the Federal Government; Now, therefore, be it

Resolved, That the Montana Stockgrowers Association bring this serious situation to the personal attention of the Honorable Lyndon B. Johnson, President of the United States of America; and be it further

Resolved, That because of his leadership and importance as majority leader in the Senate of the United States, this association urgently requests that Senator MANSFIELD use all of his influence with the administration, and in the Congress of the United States, in order to gain favorable action in accordance herewith; and be it further

Resolved, That this association urge the immediate enactment of 10334 and Senate amendment No. 465—

Which is now pending before this body—

to 1839, and that copies of this resolution be sent to the Montana congressional delegation, the members of the House Ways and Means Committee, and the members of the Senate Finance Committee, and all affected governmental agencies; and be it further

Resolved, That if the legislative action is not sufficient, then it is directed that efforts be made through every other channel to improve the position of the cattle industry including action through the Tariff Commission, but excluding subsidies.

Mr. President, I am done with what I had to say. In the interests of expediting this legislation, I do not intend to ask for a ye-a-and-nay vote, but I should like to have a vote on my proposal.

Mr. CHURCH. Mr. President—

The PRESIDING OFFICER. The Senator from Idaho [Mr. CHURCH].

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nebraska will state it.

Mr. CURTIS. Is the Senate operating under controlled time?

The PRESIDING OFFICER. The Senator is correct.

Mr. CURTIS. Mr. President, I yield myself such time as—

Mr. CHURCH. Mr. President, do I not have the floor?

The PRESIDING OFFICER. The Senator from Idaho was recognized.

Mr. CHURCH. Mr. President, will the Senator from Minnesota allow me 3 or 4 minutes?

Mr. McCARTHY. I yield 4 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 4 minutes.

Mr. CHURCH. Mr. President, I support the amendment to H.R. 1839, which would impose quotas on the importation of beef and beef products, lamb, and mutton, based on average annual imports for the 5 years ending on December 31, 1963.

Both the Tariff Commission and the Senate Committee on Finance have found and reported that these imports contribute to the present depressed condition of the domestic livestock industry. Imports of beef increased by eight times from 1956 to 1963. During this time, consumption of beef in the United States increased by 3 billion pounds, but more than half of this increase was accounted for by increased imports, so that normal growth of the domestic industry was impeded.

Mr. President, cattlemen are confronted with a fact, not with a theory about trade policy. The fact is that their prices have fallen while their costs are rising, and that this is caused, in significant part, by increased imports. The obvious remedy is to impose a curb on imports, and that is precisely what the amendment would do.

To those who oppose this remedy on the doctrinaire ground that free trade is good, and protectionism is bad, automatically, I suggest a close look at the facts of the case, and at some relevant precedents. The basic philosophy—that domestic producers of essential food and fiber are entitled to protection against excessive imports—is not new or untried. We give protection to our wool producers, because we recognize that a sound domestic wool industry constitutes an important part of a healthy economy.

What we do for the wool producer we should also do for the wool textile industry.

Earlier in the day, the Senator from Rhode Island [Mr. PASTORE] and other Senators spoke to the need of establishing adequate import quota limitations on woolen goods. I concur, for the entire wool industry, from sheepman to textile worker, needs protection against excessive importation of woolen fabrics, if it is to survive. The western wool producer is as much concerned about the well-being of our woolen textile industry as are those engaged directly in the industry itself, for this is the market for

all domestic wool grown by the sheep producers of the West.

So, Mr. President, for somewhat similar reasons, domestic producers and refiners of sugar, both beet and cane, are given a protected market, under policies which have proved themselves to be sound and workable.

The PRESIDING OFFICER. The time of the Senator from Idaho has expired.

Mr. CHURCH. Mr. President, will the Senator from Minnesota yield me 1 additional minute?

Mr. McCARTHY. I yield 1 additional minute to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 1 additional minute.

Mr. CHURCH. Mr. President, in the case of sugar, experience has shown that the consumer fares better, in the long run, with production and marketing governed in the interest of stability for home-grown production, than under the feast-and-famine conditions characteristic of excessive reliance on foreign producers. So it should be with meat.

Beef, lamb, and mutton cannot readily be stockpiled in significant amounts. Prudence requires that we avoid a situation where changes in the economic conditions in countries which produce for export, or the development of more attractive markets elsewhere, might suddenly leave us short of essential food supplies. There is no point in taking this risk, so long as we can produce the great bulk of our requirements at reasonable cost within our own borders.

For these reasons, Mr. President, I strongly urge a favorable vote on the pending amendment.

Mr. CURTIS. Ten minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. CURTIS. Mr. President, in all sincerity I express my gratitude to the distinguished majority leader [Mr. MANSFIELD] for presenting this legislation. He is to be commended for having used his good offices and his wide influence as a Senator from the great State of Montana to bring a measure of relief to the cattle industry. We are all very grateful for it. Regardless of who offers the language, it can be well said that whatever relief is provided this day, it shall be because of Senator MANSFIELD's efforts.

I do not believe that there is a substantial difference between Senator MANSFIELD's original bill, which is now offered as a substitute, and the amendments adopted by the committee. When this proposal arose, it was suggested that we go back to certain years. Senator HRUSKA proposed a certain base year. Our distinguished majority leader, in response to the request of cattle producers and others chose the base of a 5-year period ending December 31, 1963.

The Committee on Finance did not destroy the Mansfield bill. With one exception—and I shall explain that—the committee bill is merely a drafting refinement of the Mansfield bill. Whatever bill is passed by the Senate must be carried out and executed by our Gov-

ernment and by the Customs Service. So, the committee followed the pattern set by 50 Members of the House of Representatives. The first bill was introduced by Representative HERLONG of Florida. That bill transposed the 5-year average into pounds so that the Customs Service when they write their code and their regulations can refer to pounds instead of having to transpose from averages per year. That arithmetic is already done. That is one of the changes in the committee bill. That does not do violence to the Mansfield proposal. It strengthens it.

There is another drafting refinement. Leaving in the same 5 years, we followed the pattern of the House of Representatives, and provided that the annual quota shall be divided up quarterly. That makes for orderly marketing. It is not more restrictive than the Mansfield amendment. It is identical with the Mansfield amendment. But it is on a quarterly basis, in order to make for more orderly marketing and to prevent an adverse effect at any particular time of the year.

Another drafting refinement—not to destroy the Mansfield bill, but to support it—was that this idea of a pound limitation also applied to the various types of meat, so that the entire quota could not be filled with one particular meat from a particular source, but would follow the pattern already established.

One further change which does not add to the amount of imports, or in any way disturb the base period provided by the Mansfield proposal, is a provision that steps can be taken to prevent an undue amount of imports coming into one port of entry. There was something specific in mind.

The State of Hawaii being closer to Australia and New Zealand, the committee in its wisdom accepted the amendment proposed by the distinguished Senator from Hawaii. I do not know but that both Senators concurred in it. At any rate, the Hawaiian amendment provides that if an undue amount of meat is offered at one port of entry, it can be regulated.

None of this does violence to the Mansfield amendment. It supports it. It strengthens it. It makes it understandable. It makes it workable. There are two changes. I believe that both of them are justified. One is that there is a provision—and it was placed in there at the request of the American National Cattlemen's Association, but all of these things are supported across the board so far as I know by every organized group interested in this legislation—in the event of national emergency or national disaster in the livestock industry, adjustments can be made in the quota base.

That does not do violence to the Mansfield amendment. This provision is a protection to everyone in the trade. It is very much a protection to the consumer. And yet in the long run the cattlemen and the feeders will be protected. They want the good will of the American public. They do not want a shortage of meat. They do not want to have an adverse effect created by reason of prices being too high.

There was one further addition by the committee to make the Mansfield bill a better bill. A number of weeks had elapsed when the draftsmen came forward with this proposal.

The Mansfield bill provides that beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered or withdrawn from the warehouse for such purpose, corresponding to the annual rate of increase in the total U.S. market for such products, as estimated by the Secretary of Agriculture.

In other words, as our population grows and more meat is consumed, the foreign countries automatically get an increased quota. The committee attached merely one condition, namely, that if at any time cattle prices are depressed, the foreign countries will not automatically obtain an increase in their quotas.

Any time the price of cattle reached 90 percent of parity or above, and through our growth in population or otherwise more meat was consumed here, foreign countries would share in that market.

Mr. President, I wish to reserve the remainder of my time. I sincerely hope that the committee language will be sustained. I am thoroughly convinced that it maintains the intent of the Mansfield amendment. Again I wish to say that every cattleman in Nebraska, every 4-H Club member who has a calf project—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. CURTIS. On behalf of every worker in the packing plants and everyone engaged in servicing the packing plants, whether in connection with refrigeration or whatnot—and the great army of Nebraskans who are transporting and wholesaling meat in behalf of all of us—I wish to express our gratitude to the Senator from Montana [Mr. MANSFIELD], because regardless of what language is written in the bill, the proposed legislation is before us because of the consideration of our majority leader. I hope that the Senate will give him and the country the best possible bill. I urge support of the bill as written by the committee.

I reserve the remainder of my time.

Mr. McCARTHY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. McCARTHY. I rise to support the action taken by the committee. All credit is due to the Senator from Montana [Mr. MANSFIELD] for the bill which he introduced and for the leadership and initiative which he showed in dramatizing the problem of the Government. Credit also is due the Senator from Nebraska [Mr. HRUSKA], who offered an amendment when the wheat and cotton bill was under consideration.

That amendment was rejected by a very narrow vote in the Senate. Some Senators voted against it because they were opposed to it in principle, but

others voted against it because they were satisfied that if it had been added to that bill in March, the result would have been of no particular advantage to the cattlemen; for almost certainly the adoption of the Hruska amendment would have resulted either in the defeat of the wheat-cotton bill or would have so delayed the passage of that bill that the provisions of it could not have been effective for farmers for their 1964 wheat and cotton crops.

The Finance Committee, acting upon resolutions which were cosponsored by a number of Senators, took the first formal action on November 20, 1963, directing the U.S. Tariff Commission to make a study and to investigate the conditions of competition in the United States between domestically produced beef and beef imports. That study was not completed in March when the Hruska amendment was debated.

Following the action on the Hruska amendment, at the urging of the majority leader, the Senator from Montana [Mr. MANSFIELD], the Finance Committee began hearings on the question of beef imports. Previously, the Department of Agriculture and other executive agencies had attempted to arrange voluntary agreements with the countries which were the principal exporters of beef and other meat products to the United States. It was the general opinion of most Senators with whom I discussed the problem that the voluntary agreements entered into in February were quite inadequate. So we pressed on with the hearings. At the same time the Department of Agriculture initiated a beef purchasing program which, to their credit, has had a significant effect in stabilizing beef prices in the face of the double force of imports and perhaps the even greater force of greatly increased domestic production.

In any case, the Finance Committee held extensive hearings and examined the various bills which had been introduced to solve the problem, or at least to advance toward the solution of the problem; and following that study, the committee reported to the Senate the bill which is now before it.

In my opinion, the bill which is before the Senate would strengthen and fortify both the substance and the purpose of the Mansfield bill. In addition, it would lay down certain procedures as guidelines, as described by the Senator from Nebraska [Mr. CURTIS], which would strengthen the program.

I urge Senators to support the committee position and reject the amendment which has been offered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. JAVITS. May we know what is the administration position on this question? From what I can see in the record of the hearings, the Secretary of Agriculture is against the bill.

Mr. McCARTHY. So far as there is an administration position, it was represented by the testimony of the Secretary of Agriculture, and that would have to be judged as a position in opposition.

Mr. JAVITS. Mr. President, if the Senator will allow me to state—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCARTHY. Mr. President, I yield myself such additional time as may be required for the colloquy with the Senator from New York.

Mr. JAVITS. Mr. President, may we have 1 minute?

The PRESIDING OFFICER. The Senator from Minnesota is recognized for an additional minute.

Mr. McCARTHY. Mr. President, I yield to the Senator from New York.

Mr. JAVITS. It seems to me that this question, so far as it affects consumers, needs to be tested. So at an appropriate point I should like to state to Senators that I shall move to recommit the bill to the committee. I shall argue the whole substantive question which is involved so far as it affects consumers. I wished to establish the point that, as we understand, or as people like myself understand, this is not an administration bill. I am grateful to the Senator for his customary frankness in laying the case before the Senate. That does not mean that the Senate necessarily will act in that way, but I think it is important to make that clear.

Mr. CURTIS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. McCARTHY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Both sides yield back their time.

The question is on agreeing to the amendment of the Senator from Montana [Mr. MANSFIELD] to the amendment of the Senator from Tennessee [Mr. GORE].

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Tennessee [Mr. GORE].

The amendment was rejected.

Mr. HRUSKA. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senate will be in order. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, I should like to express my unbounded admiration to the Members of the Senate who are waging this fight in what appears to be, and what I trust will be, a victorious fight to take care of those in this country who are producing meat products to feed our people.

Mr. President, for years some of us have steadfastly maintained that while we have no desire to return to the days of a tariff-fixing Congress, and while we wished to cooperate with each of the administrations that have successively been dealing with trade agreements, there comes a time when the Congress of the United States must see to it that Americans are not deprived of their jobs, and that industry is not destroyed by the excessive zeal of administrations under the influence of a State Department that, quite properly, places our foreign relations above everything else. The

time has come when in certain cases quotas and restrictions must be imposed.

When I talk about administrations, I am talking about the Eisenhower administration, the Kennedy administration, and the present administration. What I have to say has not the slightest partisan tinge.

We in New England have watched our cotton industry completely destroyed. To do something for cotton textiles, so far as my section of the country is concerned, is simply to embalm the body.

We are watching our wool industry fade away, and we are threatened with destruction of our shoe manufacturing industry.

It was only a few years ago that 1 out of every 10 families in the State I represent gained their livelihood from shoes, either from tanning the leather, manufacturing the shoes, or merchandising the shoes. Destruction of our shoe industry by importation of cheap foreign products is the next step in the destruction of New England, which has been the cradle of American industry.

I am proud and envious of the Senators in this body who have had the intestinal fortitude to stand up and say, "Regardless of the State Department or even the White House, we are not going to sit here and supinely see meat production in this country destroyed."

Again and again some of us have tried to do something about our textiles. Each time it has been said, "Wait, wait, hush, hush. Don't rock the boat. We must depend on the President and on our negotiators to do something—to throw some little sop to us." We have never received it.

Even today I have been listening to my colleagues talk about this matter. I know why all they have done is just talk. It is because the industry itself has said, "We have encouragement to hope in the present negotiations the President and the negotiators will take care of us. So don't antagonize the White House."

I am not going to join the chorus that we should merely wait and hope. All I am going to say is that now that the barrier appears to be broken, and for once the Congress of the United States—the Senate, at least—is going to stand on its hind legs and do something to protect American jobs and American production. I hope those of us who have in our States fading and dying industries will have the "guts" to do something in our turn.

I pay tribute to Senators who today are fighting for this measure. I admire them. I shall give them my vote. I simply want to say to them that if the time comes when we have to come in here, as a last resort, and ask to have some of our industries saved, I trust they will recall that we stood by their side on this historic occasion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. Mr. President, I have an amendment, which I send to the desk and ask to have stated, on behalf of myself, my colleague [Mr. JAVITS], and the Senator from Pennsylvania [Mr. CLARK].

The PRESIDING OFFICER. The amendment offered by the Senator from

New York, for himself and other Senators, will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 1, to strike out lines 8 and 9; on page 2, to strike out lines 1 through 7, and renumber the succeeding sections.

Mr. KEATING. Mr. President, I yield myself 10 minutes.

We have heard a great deal about meat, and now I want to talk about birds and wild animals, which is what the original bill which came over from the House concerns.

This amendment is designed to strike out the provisions relating to wild animals and birds.

The bill before the Senate would remove the present 7.5 percent duty on wild birds and animals imported into this country that are not intended for exhibition in zoological collections for scientific and educational purposes.

According to present law, zoos may import wild animals and birds duty free. The duty is only on those animals that are to be put up for sale or profit or for exhibition for profit.

In short, the bill before the Senate would, for all practical purposes, remove the duty on all wild animals and birds imported into this country.

So far as I know, this proposal is opposed by all the conservation organizations in this country. These groups feel very strongly about it. They feel that present law, which removes the duty as regards wild animals and birds for zoos, educational institutions, and so on, should not be altered to make it easier to import wild animals for commercial purposes.

At present qualified zoological parks may obtain the animals and birds they desire without paying any duty whatsoever. When the animals arrive from abroad for such institutions, they are cared for by experts who know about their living habits and know how to minimize their adjustment to a new climate. These zoological institutions which now import animals and birds duty free, let me stress, would not be in any way affected by the proposed legislation or my amendment.

There is no question that the removal of the present 7.5-percent duty would lead to a great increase in the number of animals imported into this country. There are several reasons why the increase in the import of wild animals is undesirable.

In the first place, those who are able to acquire wild animals and birds under this legislation are often unqualified to care for them properly. We have all been disturbed by the so-called roadside zoos which are often fronts for undesirable establishments, which put out an exotic animal to attract customers. One suburban shopping center attracted customers by chaining an elephant outside its store in the asphalt parking lot. The cruelty inflicted on this animal in the hot sun with inadequate food and water was not considered.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KEATING. I know what the Senator is about to say—this applies also to donkeys.

Mr. McCARTHY. They are domestic animals and are not subject to this legislation.

Mr. KEATING. It would apply if a wild ass were imported from Africa, for example.

Mr. McCARTHY. So this cruelty is not restricted to what is done by supermarkets.

Mr. KEATING. No; that is correct. It may even be engaged in by this body.

Mr. McCARTHY. That is correct.

Mr. KEATING. This measure applies to all wild animals. I picked out one example because it was called to my attention that a poor elephant had been chained out in the hot sun without adequate water. Comparable to that example was the case of the elephant they tried to stuff in the back seat of a Volkswagen.

I must emphasize what was brought out by the recent colloquy—that it is wild animals that are under consideration. That means that in almost all instances these animals are being shipped to a strange climate where their habits must be completely changed.

Improper care—improper because few people have the knowledge to care for an African or European wild bird or animal—will be more prevalent if these animals become available more readily than they are now. Why should Congress make it easier for people who do not know how to handle animals to acquire them for commercial use? When animals are imported they should go to men and women who are trained in arts of animal husbandry and who can care for these animals properly. This is an area where we need more control—not less control.

Mr. President, I was much impressed by the testimony of Charles H. Callison, assistant to the president of the National Audubon Society, when he appeared before the Committee on Finance. He emphasized the reasons for the opposition of the National Audubon Society. First, he cited the fact that this bill would encourage needless commercial exploitation of many species that are rare or on the verge of extinction. He specifically referred to the West Indian flamingo, the population of which has been reduced from more than 100,000 birds a half century ago to probably fewer than 20,000 today. Other birds and animals that would be affected are the Bermuda petrel, the cahow, the African elephant, the lion, leopards, some species of snakes, and monkeys. Secondly, Mr. Callison emphasized the need to protect American species from birds or animals which can multiply to the detriment of our own wildlife. Mr. Callison's presentation was fully supported by the Federation of Women's Clubs and the Garden Club of America.

Impressive testimony was also offered by Christine Stevens, president of the Animal Welfare Institute. Her pitiful descriptions of the cruelty involved in the traffic of intelligent and sensitive living animals should move us deeply. Other nationally recognized organizations which oppose the present language of this legislation are the Izaak Walton League of America, the National Catholic

Society for Animal Welfare, the National Wildlife Federation, the Society for Animal Protective Legislation, the Wildlife Management Institute, the Defenders of Wildlife, Inc. I may also add, Mr. President, that the record includes a letter dated July 29, 1963, from Rachel Carson who did so much during her lifetime to alert the country to the dangers facing our own native flora and fauna.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. CHURCH. I have listened with keen interest to the argument being presented by the distinguished Senator from New York in behalf of his amendment. His argument is persuasive. The objective he seeks to serve is highly laudable. I commend him for his effort and for that of those he has mentioned, including Christine Stevens, and humane organizations, which have long been interested in proper treatment for dumb animals, whether tame or wild. I believe that his amendment ought to be approved by the Senate. I hope it will be. I assure the Senator from New York of my wholehearted endorsement and support.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KEATING. I yield myself 5 additional minutes. I am grateful to the Senator from Idaho for his remarks.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KEATING. I yield to my colleague from New York.

Mr. JAVITS. Mr. President, I, too, would like to join my colleague from New York. I was honored to be invited by him to join as a cosponsor of the amendment. I, too, have received a great amount of mail, and have had personal visits and phone calls from a tremendous number of nature lovers who fight hard for proper practices with respect to animal life. I hope this particular provision can be stricken from the bill. I shall join my colleague from New York with great feeling of public service in doing that, if he can possibly accomplish it in the Senate.

Mr. KEATING. I am grateful to my colleague from New York.

I also thank him for his cosponsorship of the proposed legislation.

Before I yield the floor I wish to raise one additional point.

There is practically no question about the fact that the amount of money involved is negligible. What really is involved, I sincerely believe, is the question of cruelty to animals. Many people are not aware of the miserable conditions in which animals and birds travel when they are shipped from one country to another. Many people are not aware of the cramped and uncomfortable quarters available for many of these creatures when they have arrived at the point of exhibit. Many people are not aware of the suffering of such animals whether they be small babies separated from their mothers, or whether they are full-grown animals who are being sent to a new and terrible captivity.

Mr. President, let me emphasize very

clearly that I am not opposed to zoos. I have never lost an interest in zoos, which dates back to my earliest childhood. I have visited many zoos in many distant cities as I am very much interested in zoos. I know that most municipalities and zoos have done a fine job in preparing proper facilities for animals and are making it possible for Americans in all walks of life to see and learn more about the animals that share this planet with us. But the importation of wild animals and birds, who have never known the harshness of captivity, for purely commercial purposes is a practice that must be deplored by all who are familiar with it.

Mr. President, my office has been flooded with letters describing the conditions under which these animals are shipped, and in which they must live. Boxes too small for the animal to stand or lie down comfortably, dark cages in which birds are kept confined from the light of day, unsanitary conditions with no attendants to care for the animals, extremes in climate which have caused many animals to die before they reach their final destination, and finally, the lack of food or water to alleviate the hardship of travel—all these and more privations are the fate of imported birds and animals who suffer miserably as they travel from their native habitat to conditions of caged imprisonment for commercial exploitation.

Mr. President, I strongly urge my colleagues who are concerned about the rising importation of these pitiful creatures to support the amendment, which would insure that the tariffs of our great country would not be deliberately manipulated to make it still easier to deprive wild animals of their freedom and to confine them behind alien bars.

I now yield 5 minutes to the Senator from Pennsylvania [Mr. CLARK], who is a cosponsor of the amendment.

Mr. CLARK. Mr. President, for the second time in 2 days, I find myself in a position of cosponsoring an amendment sponsored by the distinguished junior Senator from New York [Mr. KEATING]. I hope we shall have better luck today than we had yesterday.

In my judgment, the case in support of the amendment is conclusive. I hope that in due course the distinguished Senator from Minnesota [Mr. McCARTHY], who is in charge of the bill, will be willing to accept the amendment.

It is my understanding that the bill is being used, to some extent, in the manner in which a few years ago, the Stella School District bill was used, to hang on it a piece of proposed legislation which had no particular pertinence to the original bill. Being an advocate of civil rights, I cannot very well have any objection to that rather odd parliamentary procedure; therefore, I must confine my comments to the hope that the original bill will be stricken out and that the meat import measure will be handled strictly on its merits.

It is my further understanding that the bill passed the House without hearings. I wonder if the distinguished Senator from Minnesota can enlighten me as to whether that is a fact or not.

Mr. McCARTHY. I am not certain whether there were hearings. Some statements were submitted in writing, so some attention was given to the proposal, for and against it. I believe some hearings were held in the House.

Mr. CLARK. Perhaps I was misinformed. At any rate, there was a hearing in the Senate Committee on July 23, 1963, and we who support both the conservation and the humane angles of opposition to the freeing from duty of wild animals and wild birds imported for commercial purposes thought the bill had been put to rest, but now find that it is suddenly resurrected. I hope that the Senate, in its wisdom, will see fit to support the amendment.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in opposition to the bill, made on behalf of the Animal Welfare Institute by Mrs. Christine Stevens, wife of Richard Stevens, chairman of the National Cultural Center, and a woman whom many of us have known for sometime as a strong advocate of the humane treatment of animals.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

IMPORTATION OF WILD ANIMALS AND BIRDS

(Statement submitted on behalf of the AWI by Christine Stevens, to the Senate Finance Committee hearings, July 23, on H.R. 1839 which would permit duty-free entry of wild animals and birds intended specially for exhibition whether intended to be used by the importer or for sale for such purposes)

On behalf of the Animal Welfare Institute I wish to express strong opposition to H.R. 1839. Our experience in observing the importation of wild animals shows that there is much suffering involved. Such importation should be made only when a serious purpose is served and when conditions can be maintained to avoid needless suffering. To eliminate all obstacles to the unlimited importation of wild creatures for the mere purpose of commercial gain is unthinkable in a civilized nation, and we respectfully urge the distinguished members of this committee to reject this bill.

In the House debate on H.R. 1839, Congressman MILLS stated: "Wild animals which would most likely be imported under the provisions of paragraph 1607(b) as amended by this bill, would include monkeys, elephants, leopards, lions, and snakes." All of these animals except for the snakes are highly developed mammals, some of them, particularly the monkeys, are nervous and sensitive to such a degree that individuals will die simply because they cannot endure captivity—particularly captivity of the kind too often meted out by commercial speculators and dealers in exotic animals and birds.

These people, are, of course, getting animals now, though in lesser numbers than they would if there were no duty to pay or formalities to go through with customs. I remember how eager the importers were to discourage me from climbing a ladder into a plane to inspect a mixed load of wild animals which had arrived at Idlewild a few years ago. They even told me there was an escaped cobra loose in the plane in the hope of dissuading me. I saw no loose snakes, but I did see how extremely hard such a trip is on the animals. In the cargo building a baby chimpanzee was lying crated in a box in which it had to remain flat on its back until the crate was ripped apart. This pitiful infant was being sent to a commercial

exhibitor and dealer in Florida. Its fellow had died en route.

On another flight, one group of ill-constructed and overcrowded crates full of monkeys, was destined for Trefflich's, the big pet shop and animal importer, in New York. Assurances that these animals would be released to comfortable "flying cages" immediately, proved empty. When we went to see them the following afternoon in the upstairs storage area which is off bounds for the public who visits the pet shop, we found the unfortunate animals still in their dirty, cramped traveling crates, in which the large ones had to maintain a crouched position, many of the monkeys with untreated bleeding sores from the rough treatment they had received on their trip, and without any food or water—in short, utterly neglected.

The dreadful overcrowding I have seen in the crates only a few inches high in which beautiful, brightly colored little birds are imported, is a similarly painful sight. To increase this entirely needless and unjustifiable suffering by letting down such bars as do exist, would be a retrograde action of which our country would have to be ashamed.

What could be gained by passage of this bill? All it would do is to give a few animal dealers an additional profit. It is hard to see why these individuals should have special privileges with regard to the payment of a Federal tax.

So far from removing the tariff on the importation of wild animals and birds by commercial exhibitors or those who intend to sell to them, the imposition of stricter requirements and higher tariffs would be more appropriate. While we believe the cruelty involved is the most urgent reason for defeating H.R. 1839, the possible extinction of rare species if this bill is passed, deserves careful thought by this committee, too. Our country should provide moral leadership in maintaining the natural wonders of the earth—not in exploiting to the very point of extinction any of these remarkable and beautiful creatures. Passage of such a bill as H.R. 1839 would dismay our friends and delight our critics in foreign lands where our enemies like to claim that Americans care for nothing but money.

In the House debate, it was stated that the bill would eliminate certain customs procedures which make the importation of such animals and birds a difficult practice. Humane societies throughout the Nation have long struggled against the chronic mistreatment of animals in many commercial roadside zoos. Passage of H.R. 1839 would make a bad situation very much worse than it now is.

Free importation privileges now exist for wild birds and animals intended for exhibition in zoological collections for educational and scientific purposes, and not for sale or profit. No justifiable purpose can be served by extending this privilege to those who seek personal gain at the cost of great physical and mental suffering by large numbers of intelligent and sensitive living animals.

Mr. CLARK. I also invite attention to the proceedings in the Journal of the Fauna Preservation Society, published in April 1964, which cites important conservation problems and urges the preservation of adequate numbers of species of wild animals which are gradually becoming extinct. The orangutan is a good example; the flamingo is another.

This type of exploitation and importation of scarce wild animals for exhibition in commercial zoos and tourist camps should not, in my judgment, be encouraged by the Senate. I commend the two Senators from New York and the Senator from Idaho for their opposition to this part of the bill and for their support of the amendment.

I wonder if my good friend from Minnesota [Mr. McCARTHY], who I know is humane and a lover of animals and also a staunch conservationist, would not feel inclined, after conferring with the chairman of the committee [Mr. BYRD of Virginia], who I know is as humane as anybody else, and is just as much interested in conservation, to accept the amendment.

Mr. McCARTHY. The Senator from Minnesota and the chairman of the committee, for whom I speak, have been willing to accept the amendment ever since it was offered. We could have saved the birds and wild animals from the dangers of inhumane treatment 15 or 20 minutes earlier had we had the opportunity to do so. I might add that hearings were not held by the Ways and Means Committee on the House bill, but they were held by the Committee on Finance in the Senate.

Mr. BYRD of Virginia. I may say to the Senator from Pennsylvania that I wish to save the "Byrds."

Mr. CLARK. It is a great pleasure to find oneself on the side of the birds—both the birds that fly in the air and the Byrds of Virginia.

Mr. KEATING. Mr. President, on behalf of the birds and wild animals, I wish to express appreciation to the Senator from Virginia and the Senator from Minnesota for their assistance.

Mr. JAVITS. I, too, wish to express my appreciation to the Senator from Virginia and the Senator from Minnesota. There are many who think as we do on this subject.

Mr. McCARTHY. The 7½-percent tariff is not adequate to protect wild animals from importation. It is merely a substitute for regulations which should be in force. But in the absence of such regulations, evidently the imposition of this very small tariff is sufficient to discourage many persons who otherwise would bring in animals, whether there is any market for them or not, and who would treat them badly and in some cases abuse them.

In the absence of more thorough and proper regulations to control such importation, it is my belief that the present duty should be retained. Consequently, speaking for myself and for the chairman of the committee, who is willing to accept the amendment, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. JAVITS. Mr. President, I move to recommit the bill to the Committee on Finance for further study, and I ask that the yeas and nays be ordered.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Is a motion to recommit covered by the unanimous-consent agreement?

Mr. MANSFIELD. Mr. President, if my memory serves me correctly, I said, "motions and all other ordinary matters." My intention was that the motion to recommit would be included.

The PRESIDING OFFICER. How much time does the Senator from New York yield himself?

Mr. JAVITS. Thirty minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 30 minutes.

Mr. JAVITS. Mr. President, I should like to reserve my time to accommodate the distinguished Senator from Hawaii [Mr. FONG], and suggest to Senators in charge of the bill that they allow him sufficient time from the time of the opposition.

The PRESIDING OFFICER. Who yields time to the Senator from Hawaii?

Mr. McCARTHY. Mr. President, I yield 10 minutes to the Senator from Hawaii.

The PRESIDING OFFICER (Mr. McGovern in the chair). The Senator from Hawaii is recognized for 10 minutes.

Mr. FONG. Mr. President, I rise in support of the bill now before the Senate and as approved by the Finance Committee and against the motion to recommit. We are all aware that recent imports of foreign beef into the United States have precipitated a serious crisis in our cattle industry.

Beef production, we all know, is the most important single farm enterprise of our country. It stands No. 1 in terms of farm income, surpassing that of any other farm product.

Figured as cash receipts from farm marketing, the cattle industry accounted for 23 percent—or \$8.2 billion out of \$35.9 billion—of total farm cash receipts in 1962, and 22 percent—or \$8.07 billion out of \$36.9 billion—in 1963.

The \$8.2 billion figure in 1962 was larger than the combined income from our six basic crop commodities; the \$8.07 billion figure in 1963 was nearly as large.

Mr. President, I ask unanimous consent to have table I, showing gross cash receipts of cattle and six basic crop commodities, and the percent of total farm gross cash receipts for the years 1962 and 1963, drawn from U.S. Department of Agriculture figures, printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—Gross cash receipts of cattle and 6 basic crop commodities, and the percent of total farm gross cash receipts for the years 1962 and 1963

	Gross cash receipts (billions)	Percent of total farm gross cash receipts
1962		
Cattle.....	\$8.2	23.0
Crops:		
Cotton (lint).....	2.3	6.4
Wheat.....	2.1	6.0
Corn.....	1.8	5.0
Tobacco.....	1.3	3.6
Rice.....	.3	.9
Peanuts.....	.19	.6
1963		
Cattle.....	8.07	22.0
Crops:		
Cotton.....	2.6	6.9
Wheat.....	2.07	5.6
Corn.....	1.98	5.4
Tobacco.....	1.2	3.4
Rice.....	.3	1.0
Peanuts.....	.2	.6

Source: U.S. Department of Agriculture.

Mr. FONG. Mr. President, USDA figures show that in the last decade we have imported into the United States, to the detriment of our cattle industry, vast amounts of meat products from foreign countries. Beef imports have risen nearly 700 percent, from 267 million

pounds in 1954 to the recordbreaking figure of 1.8 billion pounds in 1963.

I ask unanimous consent to have table 2, compiled by the U.S. Department of Agriculture, showing U.S. imports of cattle and beef compared with U.S. produc-

tion, by year, 1954-62, printed in the RECORD. Figures have been added to the table for 1963.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—U.S. imports of cattle and beef, compared with U.S. production, by year, 1954-62—Cattle and calves and beef and veal

Year	Imports				U.S. meat production ³	Imports as a percentage of production	Per capita supply of beef and veal ⁴	Year	Imports				U.S. meat production ³	Imports as a percentage of production	Per capita supply of beef and veal ⁴
	Live animals		Meat	Total ²					Live animals		Meat	Total ²			
	Number	Meat equivalent ¹							Number	Meat equivalent ¹					
	Thousand head	Million pounds	Million pounds	Million pounds	Million pounds				Thousand head	Million pounds	Million pounds	Million pounds	Million pounds		
1954-----	71	35	232	267	14,610	1.8	91.3	1959-----	688	191	1,063	1,254	14,588	8.6	89.1
1955-----	296	93	229	322	15,147	2.1	93.2	1960-----	645	163	775	938	15,835	5.9	92.8
1956-----	141	43	211	254	16,094	1.6	96.8	1961-----	1,023	250	1,037	1,287	16,341	7.9	96.0
1957-----	703	221	395	616	15,728	3.9	95.0	1962-----	1,232	280	1,445	1,725	16,311	10.6	96.7
1958-----	1,126	340	909	1,249	14,516	8.6	90.1	1963 ⁵ -----		180	1,679	1,859	17,360	10.7	-----

¹ Estimated at 53 percent of the live weight of all dutiable imports of cattle.

² Canned and other processed meats have been converted to their carcass weight equivalent.

³ Total production (including an estimate of farm slaughter).

⁴ Commercial beef and veal production plus beef and veal imports per capita.

⁵ 1963 import data are preliminary.

Source: U.S. Department of Agriculture.

Mr. FONG. Mr. President, table 2 shows that beef and veal imports were only 1.8 percent of domestic production in 1954. By 1963, our beef and veal imports rocketed to 10.7 percent of our domestic production.

Mr. President, approximately 80 percent of this vast increase comes from Australia and New Zealand. In 1958, according to USDA figures these two nations shipped 201.4 million pounds of beef and veal into this country, and in 1962 they shipped over three times that amount—a staggering 655.3 million pounds. For the year 1963, I have the figure for only 8 months, from January to August. The 8-month figure is 482.3 million pounds, and if extended at the same rate would mean 723.6 million pounds for the year 1963.

I ask unanimous consent to have table 3, showing the total quantity of beef imported into the United States and the amount imported from Australia and New Zealand, 1958-63, taken from U.S. Department of Agriculture figures, printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—Importation of beef to the United States, showing quantity imported from Australia, New Zealand, and total from all countries, 1958-63

	[In millions of pounds]			
	Australia	New Zealand	Total imports	
			Product weight	Carcass weight equivalent
Beef and veal:				
1958	17.7	183.7	619.2	909
1959	224.0	161.6	722.3	1,063
1960	144.7	130.7	512.6	775
1961	233.9	154.4	689.2	1,037
1962	441.7	213.6	967.5	1,445
1963 ¹	309.9	172.4	722.5	1,087

¹ January to August.

Source: U.S. Department of Agriculture.

Mr. FONG. Mr. President, table 3 figures show that the Antipodes area—Australia and New Zealand—supplied the United States with an overwhelming proportion of all imported meat products, two-thirds to four-fifths of the total in the years 1958 to 1963.

In Hawaii, the cattle industry, well established for over a century, has long been an important source of meat for our dinner tables and has furnished employment and income for many Hawaiian citizens.

TABLE 4.—State market supply of beef and veal
[Carcass weight in thousands of pounds]

Year	Hawaii		Mainland ¹		New Zealand, Australia ²		Total	Year	Hawaii		Mainland ¹		New Zealand, Australia ²		Total
	Carcass weight	Per cent of total	Carcass weight	Per cent of total	Carcass weight	Per cent of total			Carcass weight	Per cent of total	Carcass weight	Per cent of total	Carcass weight	Per cent of total	
1954	17,851	53.4	14,037	42.0	1,538	4.6	33,426	1959	24,749	52.6	10,838	23.1	11,425	24.3	47,012
1955	19,445	54.5	13,738	38.5	2,474	7.0	35,657	1960	24,618	50.6	11,423	23.5	12,577	25.9	48,618
1956	20,426	52.7	15,919	41.0	2,437	6.3	38,782	1961	24,960	48.4	12,254	23.8	14,330	27.8	51,544
1957	22,788	54.0	14,678	35.0	4,631	11.0	42,187	1962	24,345	50.2	10,426	21.7	13,662	28.1	48,430
1958	23,970	55.4	10,587	24.4	8,762	20.2	43,279	1963 ³	26,235	47.0	12,883	23.1	16,694	29.9	55,812

¹ Includes beef for USDA school lunch program.

² Converted to carcass equivalent from import data on boned frozen beef, at 1.45.

³ Preliminary data, subject to minor changes.

Source: State of Hawaii Department of Agriculture.

Next to our primary agricultural commodities—sugar and pineapple—cattle ranks as the third leading Hawaiian agricultural industry. Beef production in Hawaii rose to 26.3 million pounds in 1963, an increase of 7.8 percent over the 1962 level of 24.3 million pounds, according to the Hawaii Department of Agriculture.

In the 1962-63 period, imports of beef into Hawaii from Australia and New Zealand rose 22.2 percent, to the record level of about 16.7 million pounds. Over the past 10 years, these imports to Hawaii increased by more than 1,000 percent, from a total of 1.5 million pounds of carcass equivalent in 1954 to 16.7 million pounds in 1963.

In 1954, Australia and New Zealand beef represented only 4.6 percent of the State's total supply of beef, but in 1963 this figure has increased nearly sixfold to about 30 percent.

I ask unanimous consent to have table 4, showing the State of Hawaii market supply of beef, compiled by the Hawaii Department of Agriculture, printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mr. FONG. Mr. President, this substantial increase in beef imports into Hawaii and other sections of the United States has wrecked havoc with our beef prices. In the Nation as a whole, as measured by prices of choice steer in Chicago, prices plunged \$6 from \$28.75 a hundredweight on January 23, 1961, to \$22.75 on February 24, 1964.

Mr. President, from these figures it can clearly be seen that Federal legislation is imperative if we are to cope with the sharply increased imports of foreign beef which threaten to undermine our Nation's primary agricultural industry.

Congress needs to act. The executive agreements recently negotiated between the United States and Australia, New Zealand, and other countries, to limit the imports of beef, veal, and mutton into the U.S. market falls far short in helping our greatly distressed beef industry. These agreements are inadequate, as the negotiated quotas are based on the high imports of the years 1962 and 1963, during which period there was a 17-percent increase in meat imports to this country.

Under these agreements, Australia and New Zealand will send 773, 801, and 803 million pounds to the United States in 1964, 1965, and 1966 respectively. These are excessively high import figures and if allowed to stand will have a most disastrous effect on our deteriorating beef industry.

Mr. President, legislation authorizing the establishment of protective quotas on importing foreign meat products into the country is no different from the establishment of import quotas on sugar—another important American farm product—as well as other agricultural products. It is no different than imposing reasonable tariffs on hundreds of items of foreign manufactured goods. Their basic purpose is the same: to protect American industry and labor from destructive foreign competition. If protective quotas and tariffs are necessary to restrict foreign imports of many agricultural and manufactured products, certainly it is even more vital that our basic cattle industry be protected in the same way.

Under the Finance Committee's proposal, quarterly quotas are imposed, amounting to 213.7 million pounds per quarter, or 854.8 million pounds annually. These figures are calculated according to the annual average quantities of such products during the 5-year period ending on December 31, 1963.

The proposed annual quantity of imported meat, 854.8 million pounds, is 213.9 million pounds less than the 1963 level of 1,068.7 million pounds. If the committee's proposal were not adopted, under the Executive agreements, imports of foreign meat products in 1964 would total about 1,018.1 million pounds.

It is important to note that the measure does not propose to forbid importation of meat products; rather, the measure would merely limit their importation to a more reasonable level.

The committee's proposal provides for increases in these quotas whenever two conditions are met. First, if the average

price received in the United States for the meat in question equals or exceeds 90 percent of the average parity price for such meat, and second, if the domestic slaughter of the animal involved exceeds specified amounts in 6-month periods, the quotas provided by the bill are to be increased in the same ratio as the domestic slaughter increases.

The bill provides that import quotas may be increased whenever domestic slaughter exceeds, in the specified 6-month period, 7,352 million pounds carcass weight, in the case of beef and veal; 35 million pounds in the case of mutton, and 350 million pounds in the case of lamb. Whenever quotas are increased under the bill, the increase will apply for two calendar quarters.

The committee's proposal provides that the quotas shall be suspended in periods of national emergency and whenever the President determines that domestic supplies are inadequate, because of a natural disaster, to meet demand at reasonable prices. The bill also provides that the quota for any calendar quarter may be prorated over the quarter if the Secretary of Agriculture determines and certifies to the Secretary of the Treasury that proration is necessary to prevent the disruption of the ordinary operation of the market with respect to any of the products subject to the quotas.

Mr. President, as I ask for a quota for the importation of beef products, I am also wholly cognizant of the interest of our consumers. To the consumers who wish to have unlimited imports of meat products so that they might purchase more cheaply, I wish to point out that excessive importation of foreign meat products has destructive ramifications in other parts of our economy which vitally affect them.

An unrestricted flow of foreign beef imports into the country would seriously undercut, and eventually close down, many of our slaughterhouses and meat processing plants. It would hurt our fertilizer industry, our feed grain industry, our trucking industry, our food processing industry, as well as the banking, insurance, and marketing segments of our economy. Many employees in this interdependent and integrated web of economic activity would necessarily lose their jobs.

As the cattle industry is a basic farm industry, its collapse on the agricultural side of the economy may be comparable to the collapse of the steel industry on the industrial side. The havoc would certainly be widespread, and the economic losses would be great.

In such an integrated national economy as ours, there is little doubt that the consumer has a large stake in the success of our basic industries such as the cattle industry. So long as the cattle industry is thriving and profitable, the agricultural and, indeed, the national economy will grow and prosper. Its collapse could seriously undermine the national economy.

The importation of huge amounts of foreign beef certainly is not a stimulant to our economy. For foreign cattle producers do not employ American labor;

they do not buy our feed grain and fertilizers; they do not use our slaughterhouses; they do not use our truckers; they do not invest in or borrow from our banks; they do not buy our insurance; they do very little to stimulate the national economy.

By protecting the cattle industry, the approximately 2 million workers engaged in cattle production, processing, marketing, and the millions of workers in all other allied fields also would be protected.

Besides being inadequate generally, these agreements recently entered into with Australia, New Zealand, and other countries are most inadequate from a regional point of view. They do not establish import quotas for American ports of entry. My city of Honolulu is the first American port of entry from Australia and New Zealand. We are therefore faced with a threat of the most serious proportions, as the agreements do not prohibit Australia and New Zealand from dumping, without limitation, their beef in Honolulu.

Australia and New Zealand may well keep within their quotas and yet be able to destroy our Hawaii cattle industry by dumping substantial amounts of their quota into Hawaii.

A port of entry quota is necessary if Hawaii and, indeed, other regional markets around ports of entry are to be spared the ravages of destructive foreign dumping.

Hawaii, as the only island State located in the mid-Pacific, is especially vulnerable to destructive flooding of the market by imported foreign beef. Our geographic location, which puts us directly in the path of the trade routes between Australia and New Zealand on the one end and the mainland United States on the other, renders us an ideal spot for wholesale dumping of Australian and New Zealand meat products.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARTHY. Mr. President, I yield 3 additional minutes to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for an additional 3 minutes.

Mr. FONG. Mr. President, Hawaii is a pocket market whose economic structure is uniquely pregnable and defenseless against onslaughts of foreign dumping.

Unless a port of entry quota is imposed to stem the mounting importation of foreign beef in Hawaii, our beef industry will be left wide open to flooding, ultimately leading to the ruin and collapse of our cattle business, which now supplies 47 percent of our total consumption.

One of the effects of the tremendous increase of over 1,000 percent of beef and veal imports from the Antipodes area to Hawaii in the last decade has been to seriously depress the market and reduce the prices received by Hawaii ranchers.

The pending bill will effectively stabilize and protect domestic beef markets located around American ports of entry such as Honolulu.

Under the bill, the President is given discretionary power to prevent the entry of excessive quantities of meat at any port of entry, and to prescribe the maximum amount of meat which may be entered at any port of entry—subject to the overall quotas I mentioned earlier.

As a supporter of a port of entry quota I do not ask for an absolute prohibition of the entry of foreign beef; I ask only a reasonable limitation of such imports. Such a limitation is necessary to expand regional markets around our ports of entry. It will also help to keep meat prices at a reasonable level and assure our consumers of a dependable supply of good quality meat products.

Mr. President, I ask that the following material be printed in the RECORD at this point:

First. Hawaii State Senate Concurrent Resolution 14.

Second. County of Maui Board of Supervisors Resolution 38.

Third. County of Hawaii Board of Supervisors Resolution 383.

Fourth. Notes on constitutionality of Fong amendment to Mansfield bill on meat imports, by the Office of Legislative Counsel.

Fifth. "Constitutional Aspects of a Proposed Port Quota System of Beef and Veal Imports Into Hawaii From Australia and New Zealand," by Covington & Burling.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HAWAII STATE LEGISLATURE, SENATE CONCURRENT RESOLUTION 14

Senate concurrent resolution requesting the President and the Secretary of Agriculture of the United States to impose a port of entry restriction on beef shipped into Hawaii under the voluntary agreement between the United States, Australia, and New Zealand

Whereas the U.S. Government through the Department of Agriculture and the Governments of Australia and New Zealand have entered a voluntary agreement limiting meat imports into the United States; and

Whereas the State of Hawaii receives 30 percent of its total meat demands from Australia and New Zealand as compared to mainland States which are receiving an average of 11 percent of their total production; and

Whereas this voluntary agreement does not provide a schedule of allocations to various State markets; and

Whereas such continued competition with foreign imports will produce devastating effects on the Hawaii cattle industry and the State's economy; and

Whereas the Legislature of the State of Hawaii and cattlemen in the State in recognizing reasonable competition recommend any one of the following formulas as a means of establishing fair allocation to Hawaii of meat imported from Australia and New Zealand:

1. Limit the share imported into Hawaii on a per capita basis.

2. Restrict Hawaii's imports to 11 percent of its total production, such production to include that product received from the U.S. mainland.

3. Permit processing beef to flow unrestricted into Hawaii, but restrict primal cuts on a per capita basis: Now, therefore, be it

Resolved by the Senate of the Second Legislature of the State of Hawaii, budget session of 1964 (the House of Representatives con-

curing), That the President and the Secretary of Agriculture of the United States be and are hereby respectfully requested, to establish a port of entry formula on the importation of beef into the State of Hawaii under the voluntary agreement; and be it further

Resolved, That the members of the Hawaii congressional delegation be and are hereby respectfully requested, to actively support the purposes of this concurrent resolution; and be it further

Resolved, That certified copies of this concurrent resolution be transmitted to the President and the Secretary of Agriculture of the United States, to members of the Hawaii congressional delegation, and to the department of agriculture of the State of Hawaii.

Honolulu, Hawaii, March 7, 1964.

COUNTY OF MAUI BOARD OF SUPERVISORS RESOLUTION No. 38, INTRODUCED BY MARCO M. MEYER, SUPERVISOR

Whereas the U.S. Government through the Department of Agriculture and the Governments of Australia and New Zealand have entered a voluntary agreement limiting meat imports into the United States; and

Whereas the State of Hawaii receives 30 percent of its total meat demands from Australia and New Zealand as compared to mainland States which are receiving an average of 11 percent of their total production; and

Whereas this voluntary agreement does not provide a schedule of allocations to various States markets; and

Board of supervisors, county of Maui, Wailuku, Hawaii

Members	Tam, chairman	Bulge	Crockett	Hokama	Lee	Meyer	Molina	Morisaki	Tagawa
Ayes.....	X	X	X	X	X	X	X	X	
Noes.....									
Absent.....									
Excused.....									X

Adopted on the 20th day of March 1964.

G. N. TOSHI ENOMOTO,
County Clerk, County of Maui,
State of Hawaii.

I hereby certify that the foregoing is a true and correct copy of Resolution No. 38, the original of which is now on file in the office of the county clerk, County of Maui, State of Hawaii.

Dated this 23d day of March 1964.

G. N. TOSHI ENOMOTO,
County Clerk, County of Maui.

COUNTY OF HAWAII BOARD OF SUPERVISORS—RESOLUTION No. 383

COUNTY OF HAWAII, STATE OF HAWAII

Whereas the increased allowance for the importation of Australian and New Zealand beef into the United States will be respectively: 1964, 773 million pounds; 1965, 801 million pounds; 1966, 830 million pounds; and

Whereas said allowance places no limitation on where the beef could be distributed in the United States and conceivably may be marketed at any port of entry, including Honolulu, State of Hawaii, their closest market; and

Whereas in the State of Hawaii, foreign imported beef has risen from 1,538,000 to 16,694,000 pounds in the past decade and has reduced the producers' price for grass-fed steers and heifers by more than 23 percent; and

Whereas foreign beef imports now captures 30 percent of the State's beef market as compared to 11 percent for the continental States; and

Whereas the county of Hawaii is the largest beef-producing county in the State of Hawaii and, therefore, would be seriously affected if

Whereas such continued competition with foreign imports will produce devastating effects on the Hawaii cattle industry and the State's economy; and

Whereas cattlemen in the State in recognizing reasonable competition recommend any one of the following formulas as a means of establishing fair allocation to Hawaii of meat imported from Australia and New Zealand:

1. Limit the share imported into Hawaii on a per capita basis.

2. Restrict Hawaii's imports to 11 percent of its total production, such production to include that product received from the U.S. mainland.

3. Permit processing beef to flow unrestricted into Hawaii, but restrict primal cuts on a per capita basis: Now, therefore, be it

Resolved by the Board of Supervisors of the County of Maui, That the President and the Secretary of Agriculture of the United States be and are hereby respectfully requested, to establish a port-of-entry formula on the importation of beef into the State of Hawaii under the voluntary agreement; and be it further

Resolved, That the members of the Hawaii congressional delegation be and are hereby respectfully requested to actively support the purposes of this resolution; and be it further

Resolved, That certified copies of this resolution be transmitted to the President and Secretary of Agriculture of the United States, to members of the Hawaii congressional delegation, and to the department of agriculture of the State of Hawaii.

the imported Australian and New Zealand beef is permitted to be sold in the manner presently allowable: Now, therefore, be it

Resolved by the Board of Supervisors in and for the county of Hawaii, That the U.S. Senators from the State of Hawaii, the Honorable HIRAM L. FONG and the Honorable DANIEL K. INOUE, and the Congressmen, the Honorable THOMAS P. GILL and the Honorable SPARK M. MATSUNAGA, be and they are hereby requested to use the powers of their good offices to insure the equitable distribution of the projected increase of Australian and New Zealand beef throughout the United States so that the impact of foreign imports may not be a detriment to regions primarily in the environs of the ports of entry; be it further

Resolved, That the county clerk be and she is hereby directed to forward copies of this resolution to the Honorable HIRAM L. FONG, U.S. Senator; the Honorable DANIEL K. INOUE, U.S. Senator; the Honorable THOMAS P. GILL, Congressman; and the Honorable SPARK M. MATSUNAGA, Congressman.

Dated at Hilo, Hawaii, this 18th day of March 1964.

HELENE H. HALE,
Chairman and Executive Officer, County of Hawaii.

SHERWOOD R. H. GREENWELD,
HAROLD H. HIGASHIHARA,
IKUO HISAOKA,
ELROY T. L. OSORIO,
HERBERT T. MATAYOSHI,
ELIAS P. YADAO,
Supervisors, County of Hawaii.

I hereby certify that above is a true and correct copy of the original now on file in my office.

_____, County Clerk.

NOTES ON CONSTITUTIONALITY OF FONG
AMENDMENT TO MANSFIELD BILL ON MEAT
IMPORTS

(Prepared by the Office of the Legislative
Counsel, U.S. Senate)

Article I, section 9, clause 6 of the Constitution of the United States provides that "No preference shall be given by any Regulation of Commerce or Revenue to the Ports of one State over those of another."

An examination of the cases in which the courts have had occasion to consider this provision does not disclose any case involving the allocation of a quota among ports in order to prevent the entry of excessive quantities of a product at any port or ports, as would be authorized by the Senator's amendment to the Mansfield bill.

The following dicta may be useful, however, in your consideration of this problem:

In *State of Pennsylvania v. Wheeling & Belmont Bridge Co.* (18 How. 421), objection was made that an Act of Congress regulating the height of a bridge over the Ohio River at Wheeling resulted in discrimination against the Port of Pittsburgh by providing an obstruction to navigation that discouraged vessels from proceeding beyond Wheeling. In disposing of this objection the Court said (p. 435):

"Besides, it is a mistake to assume that Congress is forbidden to give a preference to a port in one State over a port in another. Such preference is given in every instance where it makes a port in another State a port of entry, and refuses to make another port in another State a port of entry. No greater preference, in one sense, can be more directly given than in this way; and yet, the power of Congress to give such preference has never been questioned. Nor can it be without asserting that the moment Congress makes a port in one State a port of entry, it is bound, at the same time, to make all other ports in all other States ports of entry. The truth seems to be, that what is forbidden is, not discrimination between individual ports within the same or different States, but discrimination between States; and if so, in order to bring this case within the prohibition, it is necessary to show, not merely discrimination between Pittsburgh and Wheeling, but discrimination between the ports of Virginia and those of Pennsylvania."

Louisiana Public Service Commission v. Texas and New Orleans Railroad Co. (284 U.S. 125) involved the validity of certain freight rates fixed by the Interstate Commerce Commission. It was contended that the addition of 8 cents per ton for ferrying traffic across the Mississippi River in Louisiana offended against the above constitutional provision in that it resulted in a benefit to ports in Texas to the incidental disadvantage of ports in Louisiana. In its discussion, the Court had the following to say:

"The specified limitations on the power of Congress were set to prevent preference as between States in respect to their ports or the entry and clearance of vessels. It does not forbid such discriminations as between ports. Congress, acting under the commerce clause, causes many things to be done that greatly benefit particular ports and which incidentally result to the disadvantage of other ports in the same or neighboring States. The establishing of ports of entry, erection and operation of lighthouses, improvement of rivers and harbors and the providing of structures for the convenient and economical handling of traffic are examples. *Pennsylvania v. Wheeling & Belmont Bridge Co.*, 18 How. 421, 433-5. And see *Armour Packing Co. v. United States*, 209 U.S. 56, 80. The construction for which appellants contend would strip Congress of much of the power that it long has been accustomed to exert and which always has been held to have been granted to it by the commerce clause. It is

clear that the Constitution does not forbid the allowance for ferrying the Mississippi at Louisiana ports."

Although these cases are not in point, the above quotations suggest that the following arguments might be made in support of the validity of the Senator's amendment.

1. The establishment under the amendment of the maximum quantity which may be entered at a particular port does not (so long as it is not applied on a State basis) amount to a preference in favor of the ports of other States, and that any discrimination which may result would be among ports and not among States.

2. Any preference which might result to other ports would be only incidental to the exercise by the Congress of its power to regulate foreign commerce.

CONSTITUTIONAL ASPECTS OF A PROPOSED PORT
QUOTA SYSTEM OF BEEF AND VEAL IMPORTS
INTO HAWAII FROM AUSTRALIA AND NEW
ZEALAND

This memorandum considers whether the port quota system described below would raise a question under article 1, section 9, clause 6 or article 1, section 8, clause 1 of the Constitution of the United States.

The proposal is to impose a port-of-entry restriction on beef shipped into Hawaii under a voluntary agreement between the United States, Australia, and New Zealand. We assume that the restriction would be made on an equitable basis with the sole purpose of preventing unreasonably large shipments to Hawaii because of its geographic location.

Following is the text of the two constitutional provisions which are involved:

1. Article 1, section 9, clause 6:

"Preference to ports of one State over those of another; clearance of vessels bound from one State to another

"No preference shall be given by any Regulation of Commerce or Revenue to the ports of one State over those of another: nor shall vessels bound to, or from, one State, be obliged to enter, clear, or pay duties in another."

2. Article 1, section 8, clause 1:

"Powers of Congress; levy of taxes for common defense and general welfare; uniformity of taxation:

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States";

1. Article 1, section 9, clause 6: The meaning and scope of the antipreference clause of the Constitution were considered fully by the Supreme Court in *Pennsylvania v. Wheeling & Belmont Bridge Co.*, 59 U.S. (18 How.) 421 (1856). In a prior case the Court had found that a bridge interfered with commerce on the Ohio River and had ordered its removal. 54 U.S. (13 How.) 518 (1852). Thereafter, Congress enacted a law expressly authorizing the maintenance of the bridge at its existing site and elevation, and the State of Pennsylvania brought an action contending that this law was unconstitutional under the antipreference clause since the bridge adversely affected the commerce of the Pennsylvania ports on the Ohio River.

The answer of the Supreme Court, rejecting Pennsylvania's contentions, is significant:

"[T]he act of Congress is not inconsistent with the clause of the constitution referred to—in other words, that is not giving a preference to the ports of one State over those of another, within the true meaning of that provision. There are many acts of Congress passed in the exercise of this power to regulate commerce, providing for a special advantage to the port or ports of one State, and which very advantage may incidentally op-

erate to the prejudice of the ports in a neighboring State which have never been supposed to conflict with this limitation upon its power. The improvement of rivers and harbors, the erection of lighthouses, and other facilities of commerce, may be referred to as examples. It will not do to say that the exercise of an admitted power of Congress conferred by the Constitution is to be withheld, if it appears, or can be shown, that the effect and operation of the law may incidentally extend beyond the limitation of the power. Upon any such interpretation, the principal object of the framers of the instrument in conferring the power would be sacrificed to the subordinate consequences resulting from its exercise. These consequences and incidents are very proper considerations to be urged upon Congress for the purpose of dissuading that body from its exercise, but afford no ground for denying the power itself, or the right to exercise it." 59 U.S. (18 How.) at 433-434.

In the course of reaching its decision, the Court examined carefully the deliberations of the constitutional convention bearing upon the clause. 59 U.S. (18 How.) at 434-435. As pointed out in the Court's opinion, the clause arose out of several separate proposals which had a common purpose to prevent the National Government, in the exercise of the powers over interstate and foreign commerce from diverting shipping to a particular State in preference to other States. The suggested provisions were originally introduced by the Maryland delegation to make clear that Congress could not require ships in the Chesapeake Bay trade to enter or clear at Norfolk or another Virginia port—a requirement which would have seriously reduced commerce in the Maryland ports. The history of these provisions is also discussed in *Knowlton v. Moore*, 178 U.S. 41, 101-106 (1900).

Nothing in the history of the constitutional provision or the Court's opinion suggests that an executive agreement designed to protect the economy of an individual State is prohibited by the antipreference clause. In fact, it is clear from the Court's opinion that the provision has a limited scope and applies only to a directly discriminatory preference of one State over another. In the words of the Court, the prohibition extends only to "legislation looking to a direct privilege or preference of the ports of any particular State over those of another. Indeed, the clause, in terms, seems to import a prohibition against some positive legislation by Congress to this effect, and not against any incidental advantages that might possibly result from the legislation of Congress upon other subjects connected with commerce, and confessedly within its power." 59 U.S. (18 How.) at 435.

Any difference in treatment accorded to the ports of one State, in comparison with those of another, is compatible with the antipreference clause so long as the "preference" is merely indirect or so long as no other State is discriminated against. As the Supreme Court has suggested in the *Wheeling & Belmont Bridge* case, the Federal Government could never act with regard to the ports in any one State without taking identical action with respect to the ports of every other State if the clause is interpreted otherwise.

Any advantage to Hawaii in protecting that State from dumping of meat products also relates to its particular geographic location. The Supreme Court has repeatedly held that the antipreference clause does not prevent regulation which involves a preference resulting from geographic circumstances. *Alabama Grt. So. R.R. v. United States*, 340 U.S. 216, 229 (1951); *Louisiana Pub. Serv. Comm'n v. Texas & N.O.R.R.*, 284 U.S. 125, 131 (1931); *Armour Packing Co. v. United States*, 209 U.S. 56, 80 (1908); *South Carolina v. Georgia*, 93 U.S. 4 (1876).

Finally, the clause in question does not prohibit all individual treatment but only such individual treatment as creates a direct "preference" in favor of the recipient State. The suggested port quota system would not give a preference to the ports of Hawaii since its very purpose is to decrease the volume of business in such ports. This distinction was the basis for the holding of the Supreme Court in *Cooley v. Board of Wardens*, 53 U.S. (12 How.) 298 (1852) that the antipreference clause did not invalidate a pilotage charge imposed in the port of Philadelphia. The Court stated:

"But, as already stated, pilotage fees are not duties within the meaning of the Constitution; and, certainly, Pennsylvania does not give a preference to the port of Philadelphia, by requiring the masters, owners, or consignees of vessels sailing to or from that port, to pay the charges imposed by the 29th section of the act of 1803. It is an objection to, and not a ground of preference of a port, that a charge of this kind must be borne by vessels entering it; and, accordingly, the interests of the port require, and generally produce, such alleviations of these charges as its growing commerce from time to time renders consistent with the general policy of the pilot laws. This State, by its act of 24th of the March 1851, has essentially modified the law of 1803, and further exempted many vessels from the charge now in question. Similar changes may be observed in the laws of New York, Massachusetts, and other commercial States, and they undoubtedly spring from the conviction that burdens of this kind, instead of operating to give a preference to a port, tend to check its commerce, and that sound policy requires them to be lessened and removed as early as the necessities of the system will allow." 53 U.S. (12 How.) at 314-315.

In summary, reasonable differences in treatment founded upon demonstrable differences in circumstances are clearly permissible under the antipreference clause. The circumstances of the Hawaiian beef-growing industry are demonstrably different from those affecting any other State. The suggested port quota system would therefore not be a "preference" to Hawaiian ports in the constitutional sense.

To suggest otherwise would be to suggest that both the National Government and that of Hawaii are powerless to defend the Hawaiian industry against the ruinous effects of antipodal imports because the Hawaiian situation is unique among the States. The State of Hawaii cannot act since the commerce clause has given all power over foreign commerce to the Federal Government. See e.g., *Hoover & Allison Co. v. Evatt*, 324 U.S. 652, 655-656 (1945). If the Federal Government is powerless as well, Australian and New Zealand meat imports enjoy some sort of absolute constitutional protection. Such an argument was made by counsel and rejected by a unanimous Supreme Court in the *Head Money Cases*, 112 U.S. 580, 591 (1884).

2. Article 1, section 8, clause 1:

The consistent and long-established rule is that the uniformity clause applies only to revenue-raising measures and does not apply to the regulation of commerce. E.g., *Alaska v. Troy*, 258 U.S. 101, 110-11 (1922); *Cooley v. Board of Wardens*, 53 U.S. (12 How.) 298, 314 (1852). The uniformity clause has even been held not to apply to all revenue measures, but only (as the clause states) to taxes in the nature of duties, imposts, and excises. *Knowlton v. Moore*, 178 U.S. 41, 88 (1900).

The complete answer to the suggested constitutional question was given as long ago as 1852 in *Cooley v. Board of Wardens*, 53 U.S. (12 How.) 298:

"But, having previously stated that, in this instances, the law complained of does

not cross the appropriate line which limits laws for the regulation of pilots and pilotage, . . . it also follows, that this law is not repugnant to the first clause of the eighth section of the first article of the Constitution, which declares that all duties, imposts, and excises shall be uniform throughout the United States; for, if it is not to be deemed a law levying a duty, impost, or excise, the want of uniformity throughout the United States is not objectionable. Indeed the necessity of conforming regulations of pilotage to the local peculiarities of each port, and the consequent impossibility of having its charges uniform throughout the United States, would be sufficient of itself to prove that they could not have been intended to be embraced within this clause of the Constitution; for it cannot be supposed uniformity was required, when it must have been known to be impracticable." 53 U.S. (12 How.) at 313-314.

For the reasons stated above, it is our opinion that the suggested port quota system is not unconstitutional as a preference of Hawaiian ports or as a nonuniform duty, impost, or excise.

Mr. JAVITS. Mr. President, may I ask the Senator in charge of the bill if he will yield whatever time the junior Senator from Nebraska [Mr. CURTIS] desires?

Mr. HRUSKA. Mr. President, I yield 1 minute to the junior Senator from Nebraska.

Mr. CURTIS. Mr. President, I thank the Senator from New York and the senior Senator from Nebraska.

Let me say that the senior Senator from Hawaii has performed an excellent service in speaking for the State of Hawaii. It need not be said that it is a new State. Everyone should be interested in the welfare of its economy. There is an important cattle industry there. It has been because of the willingness, persistence, and diligence of the distinguished senior Senator from Hawaii that this matter has been brought to the attention of the committee in its hearings and in its executive session. It is through his efforts that the provision is in the bill at the present time.

Mr. FONG. Mr. President, I thank the distinguished junior Senator from Nebraska for his very kind remarks. The distinguished junior Senator from Nebraska has been in the forefront in the battle on this measure. I commend him.

Mr. HRUSKA. Mr. President, I yield 5 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS of Delaware. Mr. President, in recent months the prices for livestock and poultry at the farm level have been at an alltime low. At the same time our imports of beef have risen spectacularly.

In 1960 our total beef and veal imports totaled 780 million pounds. In 1963 beef and veal imports totaled 1,702 million pounds.

Without the administration's support an effort is now being made to protect the American farmers by curtailing these increased foreign imports by placing a more restrictive quota on the amount of beef and beef products which can be brought into this country.

While giving lipservice to expressions of sympathy for the plight of the Amer-

ican farmer the administration has been resisting any effort to curtail these expanding imports on the basis that they do not want to disrupt our international relations.

But this is only a part of the story. Not only is the administration encouraging and protecting these expanding imports of beef and beef products but we also find that during the past 3 years the Kennedy-Johnson administration has even been pouring out millions of the taxpayers' dollars under our AID program to finance and assist in the expanded production of beef in foreign countries.

For example; between 1961 and 1964 \$15,445,000 in outright grants were paid to livestock operators in foreign countries and \$293,000 in outright grants to poultry producers to encourage the expansion of their facilities in these countries. During the same period an additional \$4,980,000 in grants were paid to foreign producers who had combined operations of poultry and livestock. Besides this \$20,718,000 in outright grants which have been made during the past 3 years by our Government to expand the cattle and poultry industry in these foreign countries, our Government has made available an additional \$9,456,000 in low interest rate, convenient term loans to expand further the foreign poultry and cattle industry.

In addition to these grants and loans to expand the poultry and cattle industry in these foreign countries with taxpayers' money, we have under our AID program made investment guarantees in the amount of \$7,550,000 to producers of livestock and poultry in these countries. These investment guarantees, totaling \$7,550,000, were issued under our AID program to guarantee American investments in the cattle and poultry industry in these foreign countries.

Many of the grants and loans referred to above were made to American connected or affiliated companies who are establishing branch cattle and poultry industries in these low-labor and cheap real estate cost areas.

I would defend the right of the American industry to invest its money as it sees fit in any of these countries, but it does not make sense to have the American Government using the taxpayers' money to underwrite the expansion of the cattle and poultry industry, especially at a time when both products are selling below the cost of production.

These cash grants, loans, and investment guarantees are scattered throughout the world, but we find that the poultry loans are concentrated heaviest in the Near East, with Greece and India the principal beneficiaries.

The grants and low interest rate loans which are made to finance an expanded cattle industry are likewise spread throughout the world, but with the heaviest concentration of these subsidies being in the Western Hemisphere.

Argentina, Brazil, El Salvador, Paraguay, and Colombia appear to be the largest beneficiaries of the expanded cattle industry, with \$2,687,000 being distributed in outright grants to cattlemen

in Argentina and another \$1,400,000 in low interest rate loans.

In Brazil grants totaling \$5,470,000 were made to expand their cattle industry.

In Colombia \$298,000 in outright grants were made available to expand the cattle industry, with another \$4 million being made available as low interest rate loans.

In El Salvador \$53,000 were distributed in grants, with \$1,900,000 in low interest rate loans to help expand their cattle industry.

In Paraguay \$90,000 were distributed as development grants to start the cattle industry, and \$825,000 were made available at convenient term loans, while a \$6,200,000 investment guarantee was made to protect American investments in that country's cattle industry.

At this point I ask unanimous consent to have printed in the RECORD a report received from the Department of Agriculture giving a complete breakdown of all of these multimillion-dollar grants, convenient term loans, and investment guarantees that have been made available under our AID program to encourage and expand the cattle industry in these foreign countries. This report shows the amount made available in each of the various countries.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL

DEVELOPMENT,

Washington, D.C. June 27, 1964.

The Honorable JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: Thank you for your inquiry of June 12, 1964, requesting information about AID assistance for the expansion of poultry production in fiscal years 1963 and 1964, and livestock production for the fiscal years 1961-64.

The material is attached. I hope it will be helpful to you.

If we can be of further assistance, please do not hesitate to call on us.

Sincerely yours,

DAVID E. BELL.

Worldwide total, poultry, and livestock assistance

Development grants for poultry improvement, fiscal year 1963-64.....	\$293,000
Development grants for livestock improvement, fiscal years 1961-64, including fiscal year 1960 in Africa.....	15,445,000
Development grants for both poultry and livestock improvement, fiscal years 1960-64.....	4,980,000
Development loans for livestock improvement.....	7,300,000
Cooley loans for poultry improvement, fiscal years 1963-64.....	860,000
Cooley loans for livestock improvement.....	1,100,000
Public Law 480 local currency for livestock improvement, fiscal years 1961-64.....	196,000
Investment guarantees for livestock improvement, fiscal years 1961-64.....	7,450,000

Worldwide total, poultry, and livestock assistance—Continued

Investment guarantee for poultry improvement, fiscal year 1963-64.....	\$100,000
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Worldwide total, poultry, and livestock assistance—Continued

Investment surveys for poultry improvement, fiscal year 1964--	\$4,000
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Poultry and livestock assistance, Latin America

[In thousands of dollars]

Country	Development grants for poultry improvement, fiscal years 1963-64	Investment guarantees for poultry improvement, fiscal years 1963-64	Investment surveys for poultry improvement, fiscal year 1964	Development grants for livestock improvement, fiscal years 1961-64	Development loans for livestock improvement, fiscal years 1961-64	Cooley loans for livestock improvement, fiscal years 1961-64	Investment guarantees for livestock improvement, fiscal years 1961-64
Argentina.....		100		2,687	1,400		
Bolivia.....				227			
Brazil.....			4	5,470			
Chile.....				54			
Colombia.....				298	4,000		
Costa Rica.....				44			
Dominican Republic.....	32			29			
Ecuador.....				147			
El Salvador.....				53	1,900		
Guatemala.....				20			
Honduras.....				37			
Jamaica.....				15			
Nicaragua.....				116			
Panama.....				66			
Paraguay.....				90		825	6,200
Peru.....				217			
Uruguay.....				84			
Regional.....				1,445			
Total.....	32	100	4	11,110	7,300	825	6,200

NOTE.—If the survey does not result in an actual investment, AID takes title to the survey and pays half the cost.

Poultry and livestock assistance, Near East and south Asia

[In thousands of dollars]

Country	Development grants for poultry improvement, fiscal year 1964	Cooley loans for poultry improvement, fiscal years 1963-64	Development grants for livestock improvement, fiscal years 1961-64	Cooley loans for livestock improvement, fiscal years 1961-64
Afghanistan.....	25		100	
Cyprus.....			23	
Greece.....		333		
India.....	80	527		
Iran.....			130	
Israel.....				275
Jordan.....			40	
Pakistan.....			400	
Turkey.....			60	
Total.....	105	860	753	275

Poultry and livestock assistance, Africa

[In thousands of dollars]

Country	Development grants for poultry improvement, fiscal years 1963-64	Development grants for livestock improvement, fiscal years 1960-64	Development grants for livestock and improvement, fiscal years 1960-64
Dahomey.....		119	
Ethiopia.....		269	
Ghana.....		119	
Ivory Coast.....		65	
Libya.....		326	
Mali.....		548	
Morocco.....			127
Niger.....		64	
Nigeria.....			3,590
Senegal.....	67	5	
Somalia.....		403	
Sudan.....			1,163
Tunisia.....	89		
Uganda.....		598	
Upper Volta.....		92	
Total.....	156	2,608	4,880

Poultry and livestock assistance, Far East

[In thousands of dollars]

Country	Development grants for livestock improvement, fiscal years 1961-64	Public Law 480 local currency for livestock improvement, fiscal years 1961-64	Development grants for livestock and poultry improvement, fiscal year 1964	Investment guarantee for livestock improvement, fiscal years 1961-64
Cambodia.....	964			
Indonesia.....		98		
Laos.....			100	
Taiwan.....				1,250
Thailand.....	12			
Vietnam.....		100		
Total.....	976	198	100	1,250

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated July 27, 1964, signed by Mr. David E. Bell, of the Agency for International Development, along with attachments thereto which give a list of the breakdown of some of the countries which received the loans.

There being no objection, the letter and attachments were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL
DEVELOPMENT,

Washington, July 27, 1964.

The Honorable JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: Thank you for your letter of July 8, 1964, requesting further information on U.S. assistance for the expansion of poultry and livestock production.

Enclosed is a list of the names and addresses of the companies who were the direct beneficiaries of U.S. assistance along with the amount and terms of the assistance given. All of these firms are American firms except those specifically designated otherwise. All of the assistance listed in our earlier report to you but not listed in this additional report was furnished directly to the Government of the country concerned rather than to any particular firm.

If we can be of further assistance on this or any other matter, please do not hesitate to call on us.

Sincerely yours,

DAVID E. BELL.

AID ASSISTANCE FOR POULTRY AND CATTLE PRODUCTION, AND PARTICIPANT U.S. FIRMS

Investment survey: Product Market Developers, Pacific Palisades, Calif.

For a survey of opportunities for production of chicken and eggs for domestic consumption in Brazil, 1964. If an investment is not effectuated, AID's share of the cost of the survey will be \$3,700.

INVESTMENT GUARANTIES

Argentina: Poultry—production and distribution of layer-type chicken breeding stock:

Investors	Amount invested	Amount guaranteed	
		Convertibility	Expropriation
Wallace Chicks, Inc., Post Office Box 11236, St. Petersburg, Fla.	\$15,000	\$30,000	\$30,000
Wallace Hatchery, Inc., Post Office Box 11236, St. Petersburg, Fla.	19,000	20,000	20,000
Total.....	34,000	50,000	50,000

China (Taiwan): Livestock—Drugs and animal feeds:

Investor	Amount invested	Amount guaranteed	
		Convertibility	Expropriation
American Cyanamid Co., General Offices Berdan Ave., Wayne, N.J.	\$604,000	\$700,000	\$550,000

Paraguay: Livestock—Cattle raising and farming:

Investors	Amount invested	Amount guaranteed	
		Convertibility	Expropriation
First National City Bank, 399 Park Ave., New York, N.Y.; Morgan Guaranty Trust Co., 23 Wall St., New York, N.Y.; Imperial Agricultural Corp., 555 Madison Ave., New York, N.Y.	\$2,650,000	\$3,127,000	\$3,127,000

¹ Imperial's interest has been taken over by the Grace National Bank of New York, 7 Hanover Square, New York, N.Y.

AID charges investors an annual fee of one-half of 1 percent of the investment guaranteed for each type coverage obtained (convertibility, expropriation, war risk). A fee of one-fourth of 1 percent annually is charged for standby coverage.

Development loans

Borrower	Amount of loan agreement	Years repayable	Interest rate (percent)	Date of agreement
Banco Ganadero Bogotá, Colombia.....	\$4,000,000	20	12	1964

¹ 5 years grace.

This is a Colombian livestock bank, owned 75 percent by private investors, 10 percent by the government, and 15 percent by the agricultural bank. It has no American affiliate. The Government of Colombia has the option of requiring the borrower to repay the loan to it and in turn to repay the United States at a softer rate; three-fourth of 1 percent for 10 years and 2 percent for the remainder of 40 years. Subloans will be made on the following terms: Repayable 3 years at 7 percent interest, 4 to 10 years at 8 percent interest.

Borrower	Amount of loan agreement	Years repayable	Interest rate (percent)	Date of agreement
Government of El Salvador.....	\$1,900,000	40	¾	1963

This loan is for relending in El Salvador to small borrowers for the purchase of beef and dairy cattle. Terms to commercial banks for relending are 6 to 12 years repayment, 2 years grace, 3½ percent interest. Terms to ultimate borrowers are 6 to 12 years at 6 percent interest.

Public Law 480 local currency (Cooley) loans

Borrower	Amount of loan agreement	Years repayable	Interest rate (percent)	Date of agreement
Arbor Acres Farm India, Ltd., ¹ Bombay, India. American affiliate, Arbor Acres Farm, Inc., Glastonbury, Conn.	\$527,000	7	7	1963
Milouber Central Feed Mill Corp., Ltd., ² Haifa, Israel.....	275,000	10	8	1963
Pan Western Enterprises, ³ Washington, D.C.	825,000	10	9	1963
Voktas Feeds, Inc., ⁴ Athens, Ga.	330,000	5	6	1963

¹ For poultry breeding farms in India.

² For livestock fodder production in Israel; Israeli firm with no American affiliate.

³ For a cattle ranch in Paraguay.

⁴ For expansion of poultry-raising facilities in Greece; Greek firm with no American affiliate.

Mr. McCARTHY. Mr. President, I yield 3 minutes to the Senator from Nevada.

Mr. BIBLE. Mr. President, I rise in support of H.R. 1839. The bill, as amended, would limit imports of beef and lamb products to the approximate average for the 5-year period ending December 31, 1963. Increases in the quota would be provided whenever the price received in the United States for the particular type of meat exceeds 90 percent of parity and the domestic slaugh-

ter exceeds specified amounts in the bill during any 6-month period.

Mr. President, this will provide a bare minimum of protection to an important but economically hard pressed domestic industry. It would permit a beneficial flow of trade to be maintained at levels which do not seriously injure our domestic producers. Nothing could be more reasonable and logical than this.

It is not seriously contested that the cattle and sheep industry is in deep trouble at the present time. Severe competition for the markets of Cutters and Canner quality beef and similar skyrocketing of lamb and mutton imports has caused low prices for these products despite the fact that domestic meat consumption continues to set records. Prices for Cutter and Canner grade cattle has declined 6 percent and 3 percent, respectively, since 1960. In May of this year, prices of both grades of cattle had continued to decline until they were 10 percent lower than in the corresponding month of 1963.

It is not surprising to me that prices have declined almost inversely to the rising tide of imports. From 1959 to 1963, imports of frozen, boneless beef of this quality doubled and accounted for about a fifth of the increase in the U.S. supply of beef.

The situation in regard to dressed lamb imports illustrates the same losing proposition facing domestic sheepmen. Imports from Australia alone increased from 959,000 pounds in 1957 to well over 5 million pounds the first 9 months of last year. Import prices averaged \$13.80 less per hundred pounds than New York prices over the same period.

The committee report suggests that part of the problem may be caused by the increasing use of alternative meat products. While this may be true, I believe it begs the question. I am happy to leave the choice of meat products in the hands of consumers, but hope they are able to choose between domestically produced products.

We must never forget that agriculture is big business in the United States. Per capita outlay for machinery and industrial products is far above the average for urban dwellers. When the agricultural community suffers, the whole economy suffers.

Many areas of the United States are uniquely adapted to the cattle industry. Natural conditions favor the production of cattle in my own State of Nevada and many other Western States. The land resources are not the type which can be shifted easily to other production. Its only immediate potential is in the production of sheep or cattle. It does not take a very sharp cut in prices or economic vitality of the industry in such areas to be keenly felt. It has been estimated by the University of Nevada that imports at the 1962 level of 10 percent caused an economic loss to the cattle industry in Nevada of \$4.8 million.

High imports not only cause a drop in prices and net income for the agricul-

tural community but upset the balance in slaughter and domestic cattle population. The drop in prices of cutter and canner cattle, for instance, forces many producers to attempt to make up the loss by breeding cows to be culled for another calf. This not only holds cows longer than usual but increases the cattle population beyond normal limits, further accentuating the problem. This is pointed out from the figures on page 3 of the report. The number of calves born annually decreased from 1955 through 1958—periods of fairly high prices for cutter and canner cows—and took a sudden upswing starting in 1959 and has continued to rise since then as the prices have continued to fall.

It is for the reasons stated above that I believe this legislation is necessary. I wish to reaffirm my strong convictions in the value of foreign trade. I know the economies of nations are lifted by trading products they can produce most efficiently. There is a point, however, where economic loss caused through excessive imports of products more than outweighs the benefits gained through trade, especially in the case of an industry not hampered by inefficiency or lack of natural resources or favorable conditions. The domestic cattleman is probably the most efficient cattle producer in the world today. As I have pointed out, Nevada and other large areas of land are uniquely adapted to the production of cattle. The reason Australia and New Zealand—the main exporters to the United States—are able to produce cattle at a lesser price is the wide variance in the standard of living and the grade of cattle produced.

To allow unlimited imports from these countries from such different bases of living standards will indeed raise the standards in the exporting countries but only at the expense of the American standard.

Much has been said of the voluntary agreements recently concluded between the United States and the exporting countries of Australia, New Zealand, and Ireland. Unfortunately, these so-called restrictions begin at a base which is already seriously hurting domestic producers. Insult is added to injury by guaranteeing at least a 3.7 percent annual increase—much more than we can possibly accommodate. Furthermore, these agreements reflect in part a willingness to cut back imports slightly to take advantage of a very favorable European market. Should the market decline in Europe we can certainly expect a desire on the part of the exporters to concentrate on the unprotected American market.

It is ironic to reflect that although consumption in the United States for meat products nearly doubled since 1950, our cattle industry continues to suffer economic difficulties. We grasp at commendable but entirely inadequate devices of buying surplus beef for school lunch programs but fail to come to grips with the real problem.

It appears to me that American producers rightly attempted to meet the increased demands for meat products but were beat to the punch by our permissive import policies and a flood of low grade

foreign meat. By attempting to be the leaders on lowering trade barriers, we have succeeded in causing heavy losses to a domestic industry. The proposed bill, which can hardly be described as harsh or confining, would at least affirm our duty to our domestic industries first while still permitting the beneficial flow of trade. I strongly urge my colleagues to support its passage.

Mr. JAVITS. Mr. President, I yield 5 minutes to the Senator from Illinois [Mr. DOUGLAS]. I understand that the Senator from Nebraska has less time available, and therefore I am happy to yield.

Mr. DOUGLAS. Mr. President, I thank the Senator.

When the bill was suddenly sprung upon us last night, I felt impelled to rise in protest, because to my mind it was a clear reversal of the reciprocal trade policy of our Government. I spoke at some length and my speech is found in yesterday's CONGRESSIONAL RECORD. I do not intend to rehash all of the material which I developed last night. However, I want to stress the following points.

First, I believe that the fall in beef prices has been exaggerated. The sponsors of the bill are quoting the prices of March, when they were down to \$21 a hundredweight for choice steers on the Chicago market, which was a fall of \$6 or \$7 as compared with some months prior to that. But as of last Friday choice steers in Chicago sold for \$24.25 a hundredweight, or approximately \$3.25 more than in March. So there has been some recovery. But the demand for quotas continues with full force, and it continues unabated.

Second, to my mind the fall in prices has been largely due to the ordinary cycle of prices through which beef prices operate. There is a period of high prices. That leads to the breeding of more heifers and the fattening of more cattle. There is an increased production of beef, and that in turn leads to a fall in prices. When prices fall appreciably—fall very low—certain producers are forced out of the cattle business. The rate of reproduction of cattle is diminished. They are not fattened as much. So a decrease in quantity ensues, which results in an increase in prices.

In the first part of this year, and the latter part of last year, we were in the downswing of the cycle. It may well be that imports from Australia and New Zealand contributed somewhat to the fall. But the major portion was due to the cycle.

Third, in addition to the cyclical downswing of prices, another factor is the very favorable tax treatment which is accorded the cattle industry. The gains from the cattle industry are not taxed as ordinary income, but as capital gains, and hence the gains are subject to only one-half the rate of taxation as ordinary income, and under no circumstances more than 25 percent. In addition, very favorable depreciation provisions have been written into the tax laws. These facts have induced many people who are experts in tax avoidance, to go into the cattle industry and make purchases and start herds.

If we could remove some of these special tax privileges and eliminate the diversion of capital into the cattle industry, prices would rise.

Fourth, we should recognize that the measure would be primarily a reprisal against Australia and New Zealand, two of the best friends we have. Anyone who thinks that Australia and New Zealand would keep still while the proposed limitation of their exports to the United States is put into effect is greatly mistaken. They would inevitably retaliate against us, either by means of quotas or by means of increased tariffs. I remind Senators that we export more to Australia and New Zealand than we import from them. In 1961-62 we exported \$409 million of products to Australia and New Zealand and imported \$366 million. Therefore we exported \$43 million more than we imported.

Some think that when they commit a wrong or an act injurious to others, the others will not strike back. But that is not the law of life. If we injure others, we may well expect them to injure us. While the doctrine of turning the other cheek is proper as a standard of ethics, it is not followed by many individuals in practice, nor is it followed by nations.

So we can certainly expect, if the proposed legislation is enacted, or even if the Senate acts and the House does not, that it will stir up a great deal of unfavorable comment in Australia and New Zealand, and they will restrict our exports of earth-moving machinery, agricultural implements, soybeans, soybean products, and other articles. The net result will be that labor in this country, Australia and New Zealand will be used in less effective ways. We will actually retaliate against each other to our mutual disadvantage.

Fifth, the measure would certainly accelerate the movement in Europe toward placing tariff barriers against our wheat and other farm products.

I am not at all certain that we shall be able to convert the Common Market to freer trade basis in farm products, but we shall have very little chance of doing this if we impose rigid quotas on imports. Other nations will say, "We are protectionists, too. We are merely doing what you did."

We may, therefore, expect higher tariffs and differential prices on American wheat going to Europe, and this will shut off a large part of our farm market.

In view of all these facts, I think this proposal is a clear reversal of the reciprocal trade program which was started under Franklin D. Roosevelt and sponsored by Cordell Hull. We have made a good deal of progress under that program. We have talked about trade expansion and we have obtained trade expansion. But this is a backward step. It is out of step with the traditions and historical principles of my party, the Democratic Party, which has always hitherto stood for freer trade. We Democrats have historically believed in freer trade, causing labor and capital investment to go into industries which can produce most effectively either positively or comparatively. We have believed that the international price system operates

to equate imports with exports. But it can be interfered with and labor can be diverted into less productive channels and that is apparently what we are about to do.

It seems to me we should move in efforts, consistent with fair treatment, to bind the free nations of the world in an economic alliance. I appeared this morning before the House Committee on Merchant Marine to protest the unreasonable British attempts to prevent our merchant marine from getting the necessary facts about discrimination in ocean rates which operate against our exports.

We should try as best we may not to injure other nations and to create on economic grounds a trade alliance which is also a political alliance.

This proposal is a backward step in that respect. I know this measure is opposed by the administration. Secretary Freeman testified against it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOUGLAS. Mr. President, may I have 1 additional minute?

Mr. HRUSKA. I yield 2 minutes to the Senator from Illinois.

Mr. DOUGLAS. Secretary Freeman testified against this bill. There is every indication that the administration is opposed to it.

I make no reflection upon Senators from cattle-producing States who are sponsoring this measure. The cattle industry is powerful; it is vehement; it is strongly organized. I can well understand the climate of opinion in the various cattle-producing States. But it is against the interests of the United States, and it is certainly against the interest of the consumers of the United States, who form the vast majority of the people. General Hancock once said, "The tariff is a local issue." We seem to be acting as though it were. But it should not be.

I shall, therefore, support the Javits proposal to recommit.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes on the bill.

I enthusiastically support the Committee amendment which was originally inspired by the Senator from Montana, and comes to us in language fashioned by the Senator from Nebraska. I do so for many reasons. I think it is right. I think it is in the interest of the American economy, and the American farmer. I know it is in the overwhelming and clear interest of the American dairy farmer.

A very high proportion of the meat which is imported is cow beef. In fact, most of it is, as I understand.

The importation of cow beef drives the price of cow meat down. This has resulted in an adverse effect on the dairy farmer, because the low price for slaughtered cows prevented him from culling his cows. The cow that is not slaughtered continues to produce milk. This keeps hundreds of thousands of cows in production. This in turn results in a higher level of dairy production. What does this do to national milk production? The price of dairy products is literally as low now as the flexible law allows. The dairy farmer's income is shamefully low.

So I think the present policy of permitting huge beef imports is dead wrong. This huge beef import, resulting in more cows left in production imposes a heavy burden on the taxpayer to pay more and more for surplus milk.

There is in the law, section 22 of the Agricultural Act, which is supposed to provide against this kind of situation and prevent importation of meat which would significantly increase the costs of the price support program. So although beef is not price-supported, its excessive importation interferes with the dairy price support program, because it results in sharply increased milk production and a heavier surplus.

The statement made by the distinguished Senator from Illinois [Mr. Douglas] is one of his characteristically eloquent and powerful speeches—this time in opposition to the pending bill. Now, Mr. President, I supported the Trade Expansion Act of 1962. I would do so again. It is a good act. But we must recognize the realities we face. The dairy farmer, and the farmer generally, has a low income. The cost of food is not high in relation to income. In relation to American personal income, it is the lowest it has ever been in our history.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself 1 additional minute.

The American consumer now has by far the best bargain in food he has ever had or that anyone in any country of the world has had throughout human history.

Ten years ago the American consumer spent about 26 percent of his income for food. Today the American consumer spends only about 18 percent of his income for this prime necessity of life. This is one of the prime reasons for our high standard of living. It is because the American farmer produces so much, at such a low cost, and so efficiently, with such a big investment of his own that food is such a bargain for the American consumer. Even if we consider the full cost of the farm program, the cost which the consumer pays for food is still only 18 percent of the income of the American consumer—far, far less than in any other country, way below what the cost of food in relation to income has been historically.

I hope the committee amendment is adopted and written into law. Our farmers need it. It is simple justice.

Mr. JAVITS. Mr. President, I yield myself 15 minutes.

Let me first lay down a few basic postulates. First, it is a strange anomaly that a Republican Senator is seeking to sustain the position of a Democratic administration. If this is not bipartisan in action, I have not seen it.

It is perhaps also just as interesting that the essential mover behind this measure is the majority leader himself, which shows that we all represent our States, even though we may occupy august positions representing a whole party in the Senate.

I have no quarrel whatever with my colleagues who are fighting for their States and State interests. I have done

the same thing. But this fact does not change the duty of each one of us who, like myself, is in a position to lay before the Senate the basic national interest which is involved and which far transcends individual sectional interest. It has happened to me, and it is only fair that it should happen to my colleagues as well.

The basic misconceptions which have appeared in the statements made here so far are these: First, that imports have depressed beef prices. That is not true, and I will prove it; second, that beef imports are in direct competition with the domestic commodity—that is not true, and I will demonstrate it.

First, let us understand very clearly that the Secretary of Agriculture, representing the administration is against this measure. The study, which was ordered by the Senate Finance Committee itself from the U.S. Tariff Commission, and all its findings, generally question the position which is taken with respect to this bill.

With regard to the impact of beef imports on cattle prices I read from an official document called the 1964 Outlook Issue, Livestock and Meat Situation, issued by the Economic Research Service of the U.S. Department of Agriculture, which reads as follows:

Cattle prices in the short term are influenced primarily by the volume of cattle slaughtered. Fed cattle prices depend largely on the number and weight of fed cattle marketed and the resulting production of beef. Similarly, cow prices depend principally on the supply of cow beef.

To the extent that cow beef may compete with fed beef for the consumer's dollar cow prices have some effect on fed beef prices and vice versa. Imports affect these prices by changing the total supply of beef of that quality—

Note this—

prices of utility cows at Chicago have remained relatively stable since 1959 even though imports have increased substantially during this period. This is because the increase in imports came about when domestic cow slaughter was low. In 1962, the total supply of domestic production of cow beef plus imports of beef and veal averaged about the same as the annual average during 1954-57. On a per capita basis, it was below that of the earlier period. Even including the further rise in imports in 1963, per capita production of cow beef plus imports is still below that of the earlier period.

A chart prepared by the Department of Agriculture on the range of choice slaughter steer prices, average cost per 100 pounds of sales, by months shows that the high water mark in prices since roughly 1959 was achieved in the latter part of 1962.

When we refer to the import tables in the Senate Finance Committee's report, we find that in 1961 imports of beef and veal totaled a billion pounds, in 1962 a billion and a half pounds, and in 1963, 1,700 million pounds—in order of magnitude not too great a difference, considering the aggregate consumption in the United States of something in the area of 17 to 18 billion pounds.

Therefore, from the evidence it is highly unlikely, from this relationship, that the imports had any material effect on price. Our distinguished colleague

the Senator from New Mexico [Mr. ANDERSON], who is extremely knowledgeable in this field—much more knowledgeable than I—stated exactly why there has been a price problem so far as the cattlemen are concerned. I refer to a speech he made, which is carried in the CONGRESSIONAL RECORD at page 15557 of July 8, 1964. He said:

The Secretary of Agriculture presented some tables which are very interesting, showing that the dairy cattle were down in numbers the last 25 years, but that beef cattle were up from 68,309,000 to 106,488,000. This is a growth way beyond the population growth of the country and way beyond the effective demand. I have my own theory as to what is helping cause this, but I do not believe that imports are the only cause.

The Secretary of Agriculture testified on June 17 that the price situation was attributable to cattle production which had increased tremendously, and had outstripped consumption and had outstripped the increase in population.

Therefore, I believe it is clear that imports are not causing the drop in prices.

The second point is that what is imported becomes very significant, because the American market is mainly supplied at home from what are called table cuts. The major portion—90 percent—of our imports is not in the competitive items but consists of frozen, boneless, lean meat used primarily in the production of manufactured beef products. Out of a total of 1.7 billion pounds of beef and veal imported into the United States in 1963, 1.4 billion was in the form of fresh, frozen, or chilled boneless beef, used entirely for manufactured beef products. As a matter of fact, we export a considerable amount of our table cuts, especially now in view of the higher standard of living in Europe.

For TV dinners, barbecues, outdoor grills, and children's lunches, the American consumer is finding it useful and profitable to use a substantial quantity of imported meat, which is used in these processed products.

Mr. President, I rise and move as I do primarily because this is a dearly held interest of the American consumer.

The American cattle growers are missing the mark twice. First, they miss the mark with respect to what they believe has an impact on their prices; and they miss the mark also with respect to what is imported. Restrictions of beef imports is of no great benefit to them, but of material loss to the American consumer, who is more and more receiving the benefit of the processed meat, which is at a reasonable price. That price is based to a very important extent upon the importation of the meat, at a time of a domestic shortage of cow and bull beef.

There is one other postulate that I should like to state. I am a firm supporter, and have been ever since I have been a Member of the House and of the Senate, of the reciprocal trade policy of the United States. Those who say they are pleading, in respect to this bill, for the best interests of the American people, are overlooking the fact that imports and exports represent one of the dearest and most important interests of the American people, giving employment and sustenance to far more people than would

be involved if we adopted an opposite policy.

This year we expect to have one of the most encouraging export surpluses we have known in recent history, an anticipated \$6½ billion. The export-import trade is expected to exceed \$43 billion this year. This gives support and sustenance to many millions of Americans.

I point out also that the President, in a news conference on July 25, referred to the critical importance to the U.S. economy of farm exports. He said:

In the year ending July 30 American exports of farm products broke all records, reaching an alltime high of \$6.2 billion.

In a situation where it is not necessary to the survival of an important American industry, or to avoid any deep and basic injury to an important American industry, namely, cattle raising, to jettison and gut our reciprocal trade policy would be ill advised in the national interest.

It is interesting to note that it is difficult, notwithstanding objective evidence, notwithstanding what editorial opinion holds, and notwithstanding the position of the administration itself on a dozen other fronts, to find someone who will bespeak the foreign trade interest and the foreign policy of the United States in this Chamber.

When a matter comes up which interests Senators from certain States in an individual fashion one would think that we were living in a vacuum of our own creation, and not in this world. Tomorrow, Senators will be rising to ask why Argentina or Mexico is at odds with the United States, or why we are not getting the cooperation from Australia and New Zealand that we ought to be getting from them. We forget the fact that the President has made rather solemn, voluntary agreements with those countries with respect to these meat imports, which we would jettison in this bill.

Whereas meat imports have increased in the past year by some 9 percent over the past few years, in passing the bill we would be cutting them down by more than 25 percent.

Therefore, those countries would have reason to complain very bitterly against the United States. Among those countries, I point out, would be Argentina and very importantly. Argentina has supported us with respect to sanctions against Cuba. Let us not become too irritated with our allies when, in our trade policy, the left hand does not know what the right hand is doing.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CLARK. I wonder whether earlier in his remarks the Senator from New York had occasion to quote the testimony of the Secretary of Agriculture, Mr. Freeman.

Mr. JAVITS. I did. The Senator from Pennsylvania, with his usual directness points up this subject. For the information of the Senate, the Senator from Minnesota [Mr. MCCARTHY], whom I questioned on the subject, said what is the fact; namely, that in his testimony before the Committee on Finance Secretary Freeman was opposed to the bill.

His position must be taken as the position of the administration.

Mr. CLARK. It occurs to me that the statement of Secretary Freeman, particularly that which starts toward the middle of page 499 of part 2 of the hearings, is very persuasive. He said:

I urge the Congress not to pass S. 2525 or similar bills at this time.

My understanding is that the House bill is a similar bill.

Such action could do no good in reducing beef imports or raising beef prices immediately. And it could seriously jeopardize our trade negotiating position.

He then proceeds to say that such legislation is not necessary at this time. He states that the passage of such legislation would invite immediate retaliation by our beef suppliers in the form of higher tariffs or reduced import quotas for American goods. He also refers to the Kennedy round negotiations, and that it is vital to go to the bargaining table in the best possible position. In the end he strongly recommends against passage of the proposed legislation.

I hope that some Senators on my side of the aisle will feel inclined to support their own administration in what seems to be a completely sound position. If we do not support our own administration, we are jeopardizing one of the major objectives of the Democratic Party, which is to increase trade and, generally speaking, to cut import tariffs and duties, and to work toward what an excellent Republican, Wendell Willkie, called one world.

I commend the Senator from New York for the position he has taken in moving to recommit the bill.

Mr. JAVITS. I am grateful to the Senator from Pennsylvania. I might tell him, with all due respect and deference, that I am not so much interested in what will redeem the views of the Democratic Party as I am in what will redeem the position, for the present and future, of the United States in this critically important problem of trade.

Mr. CLARK. It is always a pleasure to hear the Senator from New York supporting the Democratic administration.

Mr. JAVITS. The Senator from Pennsylvania mentioned a while ago that he was rather pleased to join in cosponsoring a successful amendment with my colleague from New York [Mr. KEATING], so I suppose it is about as broad as it is long.

Mr. President, this would be an appropriate place to point out that those who supported Senator MANSFIELD's ideas in respect to an amendment are, in my judgment, now face to face in the bill with a much stricter standard.

I must also point out that our present information is that the level of imports into the United States of beef and veal would probably be no larger in 1964 than the average annual imports during 1959-63, which is what those who are sponsoring this move feel they want to accomplish.

The amendment of the Senator from Nebraska [Mr. CURTIS], which in essence is the amendment in the bill—the amendment of the Senator from Montana [Mr. MANSFIELD] having been

turned down—not only provides broader commodity coverage, including beef, pork, and prepared and preserved beef and veal, none of which was covered by the Mansfield amendment; but whereas the Mansfield amendment would have given a quotient for increases in population, and increases in demand, the Curtis amendment would only open the quota to some extent, based upon a parity formula; that is, the Curtis amendment provides for future increases in quotas if the average prices of cattle in the United States equaled or exceeded 90 percent of parity, or if there were a national disaster or emergency facing the livestock industry. Increases in quotas under this formula are not likely to occur in most years. These provisions are far more stringent than the provisions of the Mansfield amendment, which was turned down.

In addition, the Curtis amendment would authorize the President to establish quotas for individual ports of entry into the United States. This may very well be seriously questioned under the Constitution. Section 9, article 1, states that "No preference shall be given by any regulation of commerce or revenue to the ports of one State over those of another."

Aside from all these questions, I should like to point out one other, and then I shall be through.

The **PRESIDING OFFICER**. The time of the Senator from New York has expired.

Mr. JAVITS. I yield myself 3 additional minutes.

I should like to point out the effect which this bill would likely have upon our favorable trade posture in the world. Let us remember, as I said a moment ago, that our balance of payments, and also a great deal of American employment, to the tune of millions of jobs, are heavily dependent upon foreign trade. Many of the countries which would be affected by our action today have favorable balances of trade with the United States. Argentina, incidentally, is a signal example. So is Australia, with which we have a favorable balance of trade. It is for this reason and in view of the fact it is not necessary to take this action in order to save an important American industry—and I think we have demonstrated that from the facts and figures—that I think it would be most unwise in the national interest to proceed to approve this bill.

I can understand thoroughly why the administration is against the bill. What I cannot understand, what escapes me, is how, with so much at stake in terms of the foreign economic policy of the United States, the administration can stand aside and leave it to a Republican Senator like myself to raise these critically important issues on the floor of the Senate. It seems to me that this particular situation is something to which the American people should give their profound consideration. The administration is properly opposed to the bill. It has analyzed its position and its representatives have testified before the committee. The committee has had the

benefit of a report from the Tariff Commission. Nonetheless, the committee has plowed ahead, I think it is fair to assume, because there are enough Senators who are interested in the matter from the point of view of their own States. But there must be some of us—and in my judgment it ought to represent a majority of the Senate—who are looking above that consideration to the basic national consideration to see to it that the interests of the United States will not be jeopardized. I believe they will be jeopardized if the Senate takes the kind of action that is proposed and the President signs this kind of bill.

The **PRESIDING OFFICER**. The time of the Senator from New York has again expired.

Mr. JAVITS. I yield myself an additional 2 minutes.

We will not let it be jeopardized without an analysis, such a close analysis as I have tried to give today upon the floor of the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the **RECORD**, an editorial entitled, "Wrong Policy on Meat," published in the New York Times of July 6, 1964.

There being no objection, the editorial was ordered to be printed in the **RECORD**, as follows:

WRONG POLICY ON MEAT

Ignoring administration objections and a Tariff Commission report, the Senate Finance Committee has heeded the pleas of cattlemen and approved a bill fixing stiffly restrictive quotas on imports of meat. This is the wrong solution for the problems plaguing breeders and feeders of cattle and hogs. Imports from abroad, as the Tariff Commission indicated, are not the main reasons for the sharp drop in meat prices. Rather, it is due basically to overproduction and overspeculation by the livestock industry itself.

Traditionally cattlemen have championed the free market. They have looked down their noses at other sectors in agriculture that have sought Government help. But the quotas they are demanding are simply another form of Government subsidy that will be paid for by consumers in higher prices for meat. In addition their action will injure the administration's efforts to liberalize barriers to international trade.

The administration has already concluded voluntary agreements to limit imports with countries selling low-grade meat to the United States. It is also helping American producers to sell more high-quality beef abroad. These measures are all that the livestock industry should expect from Washington. The fundamental troubles facing the industry can be solved only by a more realistic policy by cattlemen themselves.

Mr. JAVITS. Mr. President, I also ask unanimous consent to have printed at this point in the **RECORD**, an editorial entitled, "Sabotaging Trade," published in the Washington Post and Times Herald of July 4, 1964. This editorial, too, is in opposition to the proposal before the Senate today.

There being no objection, the editorial was ordered to be printed in the **RECORD**, as follows:

SABOTAGING TRADE

The Common Market representatives at the Kennedy round of tariff negotiations got some powerful assistance from an unexpected quarter in their long dispute with

the United States over restrictive agricultural policies. By an overwhelming vote the Senate Finance Committee approved a bill that would place rigid quotas on imports of all types of meat. And if it is passed by Congress, the Emperor who has been demanding loudly that the Common Market keep open its doors to agricultural imports will have no clothes.

For the past few years beef prices have been tumbling under the impact of record levels of production. As a result the cattlemen and the feeders—those who fatten young steers with grain feed—demanded relief, and since they are now dispersed over 29 States, their political power cannot be ignored.

Although imports of beef, mainly the low-grade "manufacturing" type that goes into frankfurters and sausages, amount to only 9 percent of total consumption and could hardly have a significant impact on prices, the beef lobby seized upon imports in very much the same way that desperate men create scapegoats. The Tariff Commission's objective report on beef and beef products, prepared at the request of the Senate Finance Committee, contains nothing that supports the erroneous contention that imports are the cause of low beef prices.

In response to the pressures exerted by the beef producers the Government negotiated "voluntary" quota agreements with Australia, New Zealand, Mexico, and Ireland, and at the same time it bolstered beef prices through purchases by the Defense and Agriculture Departments. But despite the recent improvement in beef prices, despite the fact that domestic consumption is rising sharply and American steaks are gaining favor in Europe, the pressures exerted by the lobby were unrelenting.

As a result the Senate Finance Committee, in a session that hardly demonstrated political courage, approved Senator MANSFIELD's protectionist bill along with the stringent amendments offered by Senator CURTIS. The bill would establish very rigid quotas not only for beef imports, but all meat products. Not even goat meat, hardly a major import, would escape the sweep of the Mansfield-Curtis net. Imports would be limited to the 1959-63 averages, and global quotas would be established for each calendar quarter. And the bill would specifically invalidate the "voluntary" quotas which make provision for the growth of beef imports.

This bill will not raise the domestic price of beef. But it can undermine the U.S. position in the Kennedy round. It can strengthen protectionist sentiment all over the world. It can, by inviting prompt retaliation, sharply reduce the total volume of American exports. Unfortunately the wretched measure is rated a good chance of passage in the Senate. Hopefully it will face strong opposition in the House.

Mr. JAVITS. Mr. President, I wish to quote briefly from the Washington Post editorial, because the statement is so true:

This bill will not raise the domestic price of beef. But it can undermine the U.S. position in the Kennedy round. It can strengthen protectionist sentiment all over the world. It can, by inviting prompt retaliation, sharply reduce the total volume of American exports. Unfortunately the wretched measure is rated a good chance of passage in the Senate. Hopefully it will face strong opposition in the House.

Mr. President, our job is to do our duty, not to shift the burden to the other body.

The **PRESIDING OFFICER**. The time of the Senator from New York has expired.

Mr. JAVITS. I yield myself 1 more minute.

Finally, if we take this action, we do it for what purpose? It would not help the situation confronting the cattle industry. It is not directed at the basic problem of the industry which is overproduction. The passage of the bill would only complicate matters for the consumer and cost him more money. It would give the cattle-raising industry throughout the country an umbrella which would worsen rather than cure overproduction, of which it has already been guilty. We have had bitter experience with overproduction in respect to wheat and other farm commodities. Now it is proposed to compound that difficulty by imposing a system of import quotas.

The administration is against the bill. The League of Women Voters of New York is against it. The Coordinating Committee of Food Industries, representing many food trade associations, is against it. The Association of Port Authorities is against it. The National Grange is against it.

This is a most ill-advised measure. I consider it a duty as well as a privilege to stand on the floor of the Senate and ask the Senate to aid the national interest by recommitting the bill to the committee.

The PRESIDING OFFICER. The time of the Senator from New York has again expired.

Mr. JAVITS. I yield myself 1 more minute to explain why I have moved to recommit and why I have laid these facts before the Senate in order to defeat the bill. I believe there is something of value in the fact that the committee will have such a measure before it to be able to undertake a continuing study and watchfulness over the situation at all times, so that if it is really necessary, on the merits, to come to the rescue of this industry, an appropriate bill will be before the committee upon which it could act promptly.

But the time is not now. The remedy is apposite to the claimed ill; and the claimed ill has not been proved. The only thing the bill would do would be to antagonize many countries with which we trade, and complicate the position of the United States in respect of its efforts to have broader international trade, and get us nothing, in my judgment, but the grief of higher prices for consumers.

I hope the Senate will recommit the bill accordingly.

WOOL IMPORTS

Mr. PELL. Mr. President, I wish to join Senators from the textile-producing States in taking this occasion to press for some sort of relief for our domestic wool textile industry.

We in Rhode Island know only too well the peril of unrestricted imports for our woolen and worsted industry. Recent figures developed by my distinguished senior colleague, Mr. PASTORE, show that hourly wages in the U.S. woolen and worsted industry average \$1.83, as compared to \$0.64 in Great Britain, \$0.30 in Italy, and \$0.14 in Japan. This may help explain why 351 mills were liquidated

between 1947 and 1963, displacing almost 105,000 employees. A sizable segment of the industry still surviving is located in my own State. The people who are dependent on this industry are very much concerned that the trend be reversed.

Mr. President, in view of this background, it is easy for me to understand the temptation to resort to legislative efforts to restrict imports, as is now being done on behalf of the beef industry. But I would be less than candid if I did not take this opportunity to also express reservations about this legislative remedy—particularly when we contemplate the adverse effect which arbitrary restrictions on meat imports may have on our consumer price structure, which is of such concern to the Rhode Island housewife.

A much more desirable approach, to my mind, and one which awaits implementation in the wool textile field, is negotiation of an effective international marketing agreement, whereby the world supply of manufactured woolen and worsted products would be distributed in a rational and sensible manner without disruption to the economy of any one nation.

Such a program has been undertaken with regard to cotton textiles. Under the effective and vigorous leadership of my senior colleague, this program is offering real help to the cotton textile industry. We have been promised similar relief for the woolen and worsted industry but so far the results have not been impressive. Mr. President, Senators from textile States have agreed on the wisdom of not trying to force a legislative remedy by amending the meat import bill at this time.

We have sought to have a rational view of this problem. But I believe that we all agree our patience is not unlimited and our restraint is not permanent. There are some very real steps of administrative relief which could and should be pursued with imagination and vigor.

I hope that such administrative remedies will indeed be forthcoming, and that we shall not have to resort to legislative relief at any point in the future.

Accordingly, I support the administrator's position in opposing this amendment.

FRANZ CARDINAL KOENIG OF AUSTRIA

Mr. PELL. Mr. President, I have long been an admirer of Franz Cardinal Koenig of Austria. Senators may recall the morning a few months ago when he opened our Senate, the second cardinal ever to do so and the first non-American one.

He has always done an excellent job in portraying the problems of the Catholic Church in this changing world of ours. He is aware, too, of the problems of Christians behind the Iron Curtain and the best means of eroding the cruel Communist change behind so many of our fellow men in that unhappy part of the world.

I was particularly struck by an article he wrote discussing the position of the

Catholic Church in the various countries of this complicated world of ours. I particularly commend this article to Senators and ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence Visitor, July 17, 1964]

CHURCH SUPPORTS RELIGIOUS LIBERTY, DEMOCRACY, SAYS AUSTRIAN PRELATE

(Cardinal Koenig, author of this article on the church and democracy, is archbishop of Vienna and one of the leading figures in the second Vatican council. He visited the United States earlier this year.)

(By Franziskus Cardinal Koenig)

Throughout her history the Catholic Church has lived in and been obliged, to a certain extent, to collaborate with remarkably diverse societies.

She has existed in feudal states and city-republics, under absolute monarchies and dictatorships. And inevitably, because the church is a church of men, she has adapted herself to and to an extent accepted these various social structures.

But even in times of persecution, when co-operation with the state was impossible, the church did not give way to opportunism, and modify either her fundamental structure or her message of salvation. Nor has she ever given her approval to injustice, but at most has suffered and endured.

In the modern world the church openly and honestly supports democracy in many nations. This is not opportunism nor is it a mere compromise with those who are presently in power. Rather, it is the way in which the church fulfills her mission by using the means of the times.

Democracy is not the only possible way of life. It is not the only possible form of society in which the church can live and carry on her mission. But it is the best form of society for the modern world.

Today it is considered fashionable, even by many Catholics, to criticize the church of the past for excessive attachment to her environment. The church is held responsible for everything bad in a particular historical era—as "goodness" and "badness" are determined with the advantage of hindsight.

But is not this a form of intellectual arrogance? The suffering, struggling church in her earthly form has always been a church of human beings, whose view is obscured, whose wills are led astray, whose thought is closely tied up with this world.

In her human aspect, the church is a rather conservative institution—that is, she seeks to preserve certain forms to which she has become accustomed. This is undeniably paradoxical, for the message entrusted to the church is after all the most revolutionary imaginable. Indeed, in such conservatism there is a certain lack of confidence in the assistance promised to the church by her divine Founder.

Such tendencies have often during the centuries involved the church in struggles which were not hers to defend social forms to which she had grown accustomed. This struggle has taken place not only externally—between the church and outside adversaries—but internally as well. Those who point to new ways of life have always encountered difficulties; only once in centuries does the church have a Pope like John XXIII, who with his own hands opens the door to the future—and even John XXIII was not understood by everyone, including some within the church.

This tendency toward conservatism was apparent in the 19th century in the church's attitude toward democracy. In many cases the church could see in the self-

proclaimed democrat only an enemy, a burner of monasteries—and indeed many of the democrats of that period left no doubt that that was the way they wanted to be looked upon.

But the need to defend herself against that kind of democracy actually caused the church to make use of the forms of democracy herself. In fighting secular liberalism and atheistic Marxism, the church inspired the organization of democratic mass political parties.

It is easy enough today to say that the church thereby made a mistake. But at the time, what else could the church, considered in her human aspect and influenced by the ideologies of the era, have done?

ONLY THE FAITHFUL

Today the church is without government, party, or social privilege. She has only her faithful. And this is certainly as it should be.

The church in a certain sense has always been at bottom democratic, because she has recognized the absolute and essential equality of all men arising from their status as children of God with immortal souls. If in the past the church gave more attention to the soul of a king than to the soul of a laborer, it was not because she considered the king's soul more valuable but because she hoped to reach the soul of the common man through his ruler.

In our times the church has frequently been accused of accepting and supporting democracy, tolerance, and religious freedom only in places where Catholics are a minority; wherever the church enjoys majority status, it is said, she seeks absolute power.

SERIOUS ACCUSATION

This is a serious accusation, and there is certainly some historical evidence which would seem to support it. Catholics may not respond to it merely with countercharges. It involves a serious theological question, and as such it will have a large place in the coming session of the ecumenical council.

Looking ahead, one may predict that the church will conclude that, without abandoning her claim to possess the truth and to have a mission to spread it, she can accept for all others the religious liberty which she demands for herself. In all times and places she can respect the religious, and even non-religious, convictions of every individual. This is not a surrender to relativism; behind it, rather, lies the conviction that truth is stronger than secular power.

This democracy means for the church a fair and equal chance—nothing more. How is the church to use this chance?

In the past she has done so through Christian political parties. Such "political Catholicism" may indeed be necessary in certain circumstances to protect the rights of the church. It is, however, not an ideal situation nor a final goal. In the long run the church cannot engage in political partisanship without suffering grave harm.

ALOOF FROM POLITICS

The Catholic bishops of Austria in 1945 renewed a prohibition of 1933 against priests' accepting political appointments. When the church stands aloof from politics in this and other ways, it is not a sign of indifference. On the contrary, she must be all the more interested in political events since she now cannot directly influence the shaping of policy.

Nor does such a situation imply that the church is entirely neutral with regard to all political movements in all countries. Rather, her task now is to stress basic issues and clarify the distinctions that influence political judgments.

This, however, is a far cry from giving political directives to her members. Catholics cannot and should not expect such directives. They must make their own deci-

sions, using their own reasoning and consciences. The church cannot do this for them.

CHRISTIAN RESPONSIBILITY

Christian political action does not mean waiting for the orders of the bishop or campaigning under the banner of the church; rather, it means bringing to politics a sense of Christian responsibility.

It is the church's job to encourage and strengthen this sense of responsibility—but not to suggest specific political solutions. Even Christian responsibility may result in different solutions to the same problem. A policy is not good because it calls itself Christian, but it may speak of its Christian responsibility if it is good. And how is one to determine this "good"? The answer of Scripture is still best: "By their fruits you will know them" (Matthew 7: 16).

MEAT PRODUCTS—WILD ANIMALS AND WILD BIRDS

The Senate resumed the consideration of the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

Mr. WILLIAMS of New Jersey. Mr. President, I am strongly opposed to the meat import quota amendment to H.R. 1839.

The facts clearly show that this protectionist action would not solve the financial problems of cattle producers and feeders. It would, on the other hand, impose a heavy burden on the consumer; damage the meat processing industry, and disrupt the Nation's foreign policy, thereby inflicting crucial harm to the producers of every other type of commodity—agricultural and industrial—who have hopes for an expanding export trade.

The price instability in the livestock business is not caused by imports. If not 1 pound of foreign meat or meat product entered this country, the cattle industry would still be faced with fluctuating prices. Cattlemen are no more immune to the economic pressures of rapidly expanded supply than the producers of any other agricultural commodity. Admittedly, the patterns of cattle producing, feeding and marketing are changing rapidly in a society that faces many new challenges of change due to population expansion and technological improvements.

In the face of such changes, the cattlemen themselves must work out new patterns. Government cannot do it for them. The imposition of rigid import quotas on meat is just as much a Government aid as a price support program, or a direct subsidy. Cattlemen are loud in their protestations that they do not wish any Government intervention in their business. But the imposition of restrictive import quotas is Government intervention and assistance, paid for by consumers.

If import quotas were simply friendly assistance from the Government, with no tangent implications, adequate justification could probably be worked out for it. However, here we have much more at stake than a simple expenditure of tax money. Our whole future foreign trade policy can be irreparably

damaged, and many industries and commodities harmed, without benefiting anyone.

Mr. President, an editorial entitled "Sabotaging Trade" was published in the Washington Post of July 4, an editorial which deserves more than passing notice. It points out that the vote to report this bill to the Senate floor provides the Common Market representatives at the Kennedy round of tariff negotiations with a weapon to fight off the attempts of the U.S. Representatives to open up that market to our exports, and particularly to our agricultural exports. The Post editorial emphasized this point with the statement:

If it [this bill] is passed by Congress, the Emperor who has been demanding loudly that the Common Market keep open its doors to agricultural imports will have no clothes.

The editorial goes on to say:

The Tariff Commission's objective report on beef and beef products, prepared at the request of the Senate Finance Committee, contains nothing that supports the erroneous contention that imports are the cause of low beef prices.

On July 6, the New York Times also commented editorially on the matter. In an editorial entitled "Wrong Policy on Meat," it stated:

The imposition of quotas will injure the administration's efforts to liberalize barriers to international trade,

And concluded by stating:

The fundamental troubles facing the industry can be solved only by a more realistic policy by cattlemen themselves.

I ask unanimous consent to have these editorials from the Washington Post and the New York Times printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 4, 1964]

SABOTAGING TRADE

The Common Market representatives at the Kennedy round of tariff negotiations got some powerful assistance from an unexpected quarter in their long dispute with the United States over restrictive agricultural policies. By an overwhelming vote the Senate Finance Committee approved a bill that would place rigid quotas on imports of all types of meat. And if it is passed by Congress, the emperor who has been demanding loudly that the Common Market keep open its doors to agricultural imports will have no clothes.

For the past few years beef prices have been tumbling under the impact of record levels of production. As a result the cattlemen and the feeders—those who fatten young steers with grain feed—demanded relief, and since they are now dispersed over 29 States, their political power cannot be ignored.

Although imports of beef, mainly the low-grade manufacturing type that goes into frankfurters and sausages, amount to only 9 percent of total consumption and could hardly have a significant impact on prices, the beef lobby seized upon imports in very much the same way that desperate men create scapegoats. The Tariff Commission's objective report on beef and beef products, prepared at the request of the Senate Finance Committee, contains nothing that supports the erroneous contention that imports are the cause of low beef prices.

In response to the pressures exerted by the beef producers the Government negotiated voluntary quota agreements with Australia, New Zealand, Mexico, and Ireland, and at the same time it bolstered beef prices through purchases by the Defense and Agriculture Departments. But despite the recent improvement in beef prices, despite the fact that domestic consumption is rising sharply and American steaks are gaining favor in Europe, the pressures exerted by the lobby were unrelenting.

As a result the Senate Finance Committee, in a session that hardly demonstrated political courage, approved Senator MANSFIELD's protectionist bill along with the stringent amendments offered by Senator CURTIS. The bill would establish very rigid quotas not only for beef imports, but all meat products. Not even goat meat, hardly a major import, would escape the sweep of the MANSFIELD-CURTIS net. Imports would be limited to the 1959-63 averages, and global quotas would be established for each calendar quarter. And the bill would specifically invalidate the voluntary quotas which make provision for the growth of beef imports.

This bill will not raise the domestic price of beef. But it can undermine the U.S. position in the Kennedy round. It can strengthen protectionist sentiment all over the world. It can, by inviting prompt retaliation, sharply reduce the total volume of American exports. Unfortunately the wretched measure is rated a good chance of passage in the Senate. Hopefully it will face strong opposition in the House.

[From the New York Times, July 6, 1964]

WRONG POLICY ON MEAT

Ignoring administration objections and a Tariff Commission report, the Senate Finance Committee has headed the pleas of cattlemen and approved a bill fixing stiffly restrictive quotas on imports of meat. This is the wrong solution for the problems plaguing breeders and feeders of cattle and hogs. Imports from abroad, as the Tariff Commission indicated, are not the main reasons for the sharp drop in meat prices. Rather, it is due basically to overproduction and overspeculation by the livestock industry itself.

Traditionally cattlemen have championed the free market. They have looked down their noses at other sectors in agriculture that have sought Government help. But the quotas they are demanding are simply another form of Government subsidy that will be paid for by consumers in higher prices for meat. In addition their action will injure the administration's efforts to liberalize barriers to international trade.

The administration has already concluded voluntary agreements to limit imports with countries selling low grade meat to the United States. It is also helping American producers to sell more high quality beef abroad. These measures are all that the livestock industry should expect from Washington. The fundamental troubles facing the industry can be solved only by a more realistic policy by cattlemen themselves.

Mr. WILLIAMS of New Jersey. Mr. President, last year, the Senate Finance Committee asked the U.S. Tariff Commission to investigate all phases of beef production and marketing and meat imports in order to throw as much light as possible on the situation. The Commission responded with the study which was

recently issued. It is a careful, complete, thought-provoking document. It certainly shows that imports of frozen, boneless, lean meat, mostly the type that goes into the production of frankfurters, bologna, hamburger, canned preparations, and frozen prepared dinners, have increased rapidly in the past few years.

The report points out, however, that this kind of meat does not compete with the choice grade of beef which has suffered the greatest price weakness.

The report shows that beef herd expansion on the Western ranges started to build up in 1957, the cattlemen holding their breeding cows, heifers, and female calves off the market. With greatly expanded herds, annual cattle slaughter reached a record high of 28.1 million head in 1963, an amount 6 percent larger than the annual average for 1953-57. Beef consumption also increased—from 84.6 pounds per person in 1957 to 94.6 pounds in 1963. But in spite of increased consumption, the pressure of heavy supplies inevitably was reflected in the price received for live cattle.

Interestingly, the prices paid at the meat counter by the consumer did not promptly reflect the decline in prices paid for the animals or the carcass beef, and this is a question which the senior Senator from Wyoming [Mr. McGEEL] has indicated will be studied in depth by the newly authorized Commission on Food Marketing. It is possible that this study may reveal more immediate and practical ways to improve the returns to cattlemen than would rigid import restrictions.

Mr. President, an excellent article written by Harvey H. Segal, discussing these aspects of the problem, was published in the Washington Post of July 6, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 6, 1964]
ECONOMIC FRONT: SENATE UNIT BOWS TO BEEF BOGEY

(By Harvey H. Segal)

Fear beclouded judgment, prejudice triumphed over reason, and longer run perspectives were forgotten when the Senate Finance Committee voted in executive session to clamp tight quotas on meat imports.

The protectionist campaign was touched off by declining beef prices. In 1962 the average hundredweight price for Choice fed steer in Chicago was \$27.67. It dropped to \$23.96 in 1963 and in May of this year touched bottom at \$20.52. Since then the price trend has been reversed by large Government purchases and increasing consumption. But the turnabout made little impression on a lobby which is convinced that imports are the root of the difficulty.

Is the import thesis valid? An analysis of the forces that are depressing beef prices indicates that it is not.

Let's examine the demand and supply sides of the beef price equation for the period 1959-62. The figures shown below are from the Department of Agriculture. The com-

puted price indexes are for hundredweights of Choice fed steer in the Chicago market.

Years	Demand: per capita beef consumption in pounds	Price: index based on 1959	Supply: Domestic production, plus imports and inventory change in billions of pounds
1959-----	81.4	100.0	14.26
1960-----	85.2	94.3	15.01
1961-----	88.0	88.6	15.93
1962-----	89.1	99.4	16.29
1963-----	94.6	86.1	17.74

The figures indicate that demand, as measured by per capita consumption, has been growing steadily, but that prices decline when there are sharp increases in supply. Note that the price dropped when the supply increased by 0.9 billion pounds between 1960 and 1961, and that it fell again in 1962-63 when drought conditions and early slaughtering boosted output by 1.4 billion pounds.

Beef competes against lower priced substitutes—pork, lamb, mutton and poultry—and the combined production of those meats rose sharply to a record high in 1962-63, thus exerting downward pressure on beef prices.

But what of the role of imports? The relevant figures are as follows:

Year	Net beef imports as a percentage of total supply	Beef imports (in millions of pounds)
1959-----	996	7.0
1960-----	705	4.7
1961-----	965	6.1
1962-----	1,368	8.4
1963-----	1,600	9.0

Note that when imports increased by more than 400 million pounds in the 1961-62 period, prices went up. And when imports increased by 232 million pound in 1962-63, prices fell. If imports had a systematic effect on domestic beef prices, we would expect beef prices to fall when imports rise and vice versa. But in the period since 1951 no such relationship has obtained. In 8 of the 13 years, the volume of imports and prices moved in the same direction, not in the opposite direction. Rising imports and falling prices occurred in only 4 of the 13 years.

It is not difficult to account for the lack of an inverse relationship between domestic beef prices and the volume of imports. The beef price that matters in this country is the price of grain-fed steers, of high quality beef. But virtually all of the beef that is imported is of the grass-fed, "manufacturing" grade. This is the beef that goes into sausages, luncheon meats, and canned products.

If the imports consisted of high quality beef, competing directly with the domestic product, one might argue that they have a significant effect upon domestic prices. But that is hardly the case. And since the imports are of lower quality, the 9 percent of the total beef supply for which they accounted for in 1963 is quite misleading. To say that imports depress the price of choice domestic beef is tantamount to arguing that imports of Japanese motorcycles have an adverse impact on auto prices.

In subjecting imports of all meat products to global quotas that are virtually fixed, the beef lobby will accomplish nothing by way of an improvement in prices. All that they will succeed in doing is inflicting the Australians, the New Zealanders, the Mexicans, and the Irish who earlier this year agreed to limit their beef exports to this country. And the Common Market negotiators in the Kennedy Round will be given an excuse to resist any change in their highly protectionist agricultural policies.

Given the upward trend in beef consumption—and it may become much steeper as family incomes continue to rise—and the possibilities of breaking into the high quality segments of the European markets, the longer term outlook for American beef prices is quite favorable. But these bright prospects are hardly likely to improve if Congress travels down the protectionist path.

Mr. WILLIAMS of New Jersey. Mr. President, the President of the United States and the Secretary of Agriculture also have been constantly alert to the problems of the livestock industry.

This is reflected in the President's request for the establishment of the Commission on Food Marketing; by the inauguration of beef purchase programs by the Secretary of Agriculture which have thus far resulted in the purchase of 127 million pounds of beef, including 93 million pounds of Choice grade, at a cost of about \$75 million, for distribution through the national school lunch program and welfare distribution channels;

By negotiated agreements with the meat exporting countries whereby they voluntarily will restrict meat shipments. These agreements have already resulted in a reduction of 34 million pounds of meat imports in the first 4 months of 1964 as compared to the same period last year. It is anticipated that the total beef and veal imports in 1964 will be at about the 1959-63 average, the level advocated in this bill;

By intensive merchandising and promotional activities in close cooperation with the meat industry;

By sending a Presidential mission to Europe to verify that a beef export market potential exists. Teams of buyers from Italy and France have already visited the United States to explore further this possible market expansion;

By increased purchases of beef for our Armed Forces;

By including beef among the commodities eligible for export under the Public Law 480 food-for-peace program. Two such sales have been negotiated very recently, one to Chile and one to Israel.

I ask unanimous consent to have two U.S. Department of Agriculture news releases announcing these food-for-peace agreements printed in the RECORD.

There being no objection, the news releases were ordered to be printed in the RECORD, as follows:

BEEF INCLUDED IN FOOD-FOR-PEACE DOLLAR CREDIT SALE TO CHILE

Secretary of Agriculture Orville L. Freeman today announced a food-for-peace agreement between the United States and Chile to finance the dollar credit sale of \$20,922,000 worth of U.S. agricultural commodities, including certain ocean transportation costs.

The sale, made under title IV of Public Law 480, includes about 6.6 million pounds of U.S.

beef, the first beef to be included in a title IV sales agreement. Sale of the beef is contingent upon Chile maintaining its normal purchases of beef and veal from other free world suppliers (principally Argentina and Uruguay), thereby protecting its customary trading relationships. Chile is normally an importer of beef and live cattle. Imports to be made under the U.S. sales agreement will help to compensate for some decline in Chile's own livestock production and will help to meet Chile's increasing consumer demand for beef.

Title IV of Public Law 480 authorizes long-term dollar credit sales, facilitates expansion of dollar markets abroad for U.S. farm commodities, and assists in the economic development of friendly countries.

Chile will use the proceeds from the sale of the commodities in Chile for economic and social development projects, under the Alliance for Progress program.

Commodities included in the agreement, which is an amendment to a title IV agreement of August 7, 1962 with Chile, are:

Commodity:	Thousand dollars
Beef (about 6.6 million pounds) --	2,150
Soybean or cottonseed oil (about 13.2 million pounds) -----	1,435
Wheat, wheat flour or bulgur wheat (about 5.3 million bushels) ----	9,790
Butter or anhydrous milk fat (about 2.2 million pounds) -----	820
Tobacco (about 1.4 million pounds) -----	1,820
Cotton (about 22,600 bales) -----	3,245
Ocean transportation (estimated) -	1,662
Total -----	20,922

All commodities are to be purchased by December 31, 1964, from U.S. private traders. Credit purchase authorizations will be announced later.

FOOD-FOR-PEACE SALE OF \$2,100,000 WORTH OF U.S. BEEF TO ISRAEL ANNOUNCED

Secretary of Agriculture Orville A. Freeman announced signing today of an amended food-for-peace agreement between the Governments of the United States and Israel to provide for sale of \$2.1 million worth of U.S. frozen beef for Israel pounds.

Financing of the sale will be from funds in the title I, Public Law 480 agreement of December 6, 1962.

The frozen beef—about 6.6 million pounds—included in the amendment announced today will help meet rapidly rising consumption needs in Israel. This Public Law 480 sale of beef is one of several recent actions by the U.S. Department of Agriculture to help utilize plentiful U.S. beef supplies.

Sales of beef to Israel under this amended Public Law 480 agreement will be by private U.S. traders. Purchase authorizations will be announced later.

Mr. WILLIAMS of New Jersey. Mr. President, in my judgment, the administration deserves the gratitude and cooperation of the livestock industry for such prompt action and deep concern. The success of these effort is shown by recent increases in fed cattle prices—choice steers at Chicago—from an average of around \$20.50 per hundredweight in May to almost \$23 for the week ended June 25, and yesterday's Chicago prices for choice steers range from \$22.25 to \$24. This represents an increase of \$2.70 per hundredweight since June 10.

Mr. President, during the hearings on this amendment, the Port of New York Authority, representing also the American Association of Port Authorities, sub-

mitted excellent testimony on the harmful effects of meat import quotas for port industry and employment throughout the Nation. Port industry and its activities in a port area are a major factor in the economy of such areas, and the testimony pointed out that "this amendment, if adopted, would significantly impair the economy of port communities in the United States."

There is an additional provision in paragraph (f) of the amendment, titled "Ports of Entry," which I strenuously oppose and which I would specifically single out for mention. This provision would authorize the President to limit import tonnage of meat by port. It appears to me that approval of such authority would establish a most dangerous precedent which would adversely affect all ports and have grave consequences for our foreign trade program. Moreover, it would seem to be patently unconstitutional.

Mr. President, for these reasons I strongly oppose the passage of H.R. 1839.

Mr. KEATING. Mr. President, the amendment to restrict the import of meats is in my judgment an ill-conceived piece of legislation which should be solidly defeated. This is the wrong forum, the wrong time and the wrong procedure to deal with the problems facing the cattle producers of this country.

There is no doubt in my mind that the cattle producers are receiving prices which do not represent an adequate return on their investment. I fully support reasonable measures which will improve the income position of this important sector of the economy.

To contend, however, that the imports of meats from abroad has resulted in this price slump has no basis in fact. Analysis of the report of the Tariff Commission's 6-month study, which was submitted only 1 day before the Finance Committee reported out H.R. 1839, lends no support to the contention that import restrictions will aid this industry.

The meat imports have been limited to a relatively small segment of the market. They consist primarily of cutter and canner beef which is sold for manufacturing purposes and not directly competitive with the grain-fed beef. Less than 2 percent of the 1963 imports were of the high-quality table meats. The rest of the imports were used for hamburgers, frankfurters, and other processed meats.

The capital gains treatment of increased herds and the feed grain program of 1961 and 1962 have led to a substantial expansion of the supply of finished beef. Due to these two stimulants, cattlemen have enlarged their herds by a third since 1958. This is a much faster rate of growth for cattle than for people. The determination to put every possible steer into the high grade feed lot has resulted in a shortage of the lower grade of beef. Since the domestic supply of such beef has been reduced to almost 50 percent of the 1957 level, processors have had to rely more and more on foreign sources to adequately meet the demand. Even with imports,

the supply of manufacturing beef is 15 percent below that of 1955.

If the imported beef were competitive, there would be some justification for action, but when the foreign and domestic markets are complementary, this amendment can only result in pricing our popular hamburger and hotdog industry right out of the supermarket meat case. In these days when we are striving to come to grips with the problems of poverty, it is essential that we continue to provide low-income families with nutritional meat they can afford.

Any import restrictions will impose higher prices on those people who can least afford to pay them. Quotas will result in a hamburger tax to the poor, an ineffective subsidy to the cattle interests, and no solution to the problem.

Imposition of import restrictions is an emotional response to the cost squeeze in which the cattle industry now finds itself. We are engaging in pure sham if we think this is going to help improve the situation. Quotas will certainly give the appearance of assistance but they will not provide any solution to the problem. For the problem is the result of the cyclical history of the cattle industry, the capital gains treatment of increased herds, and the operation of the feed grains program.

I do not for 1 minute suggest that the Department of Agriculture could not have taken action before they did to come to grips with this economic situation facing the cattlemen. But I do urge that we are kicking a dead cow when we consider this drastic action after the Department has taken steps to assist the cattleman. There is now every indication that at least for the next 18 months imports will be at the level provided in the amendment.

The consideration of meat import restrictions in Congress at this time is, in my judgment, a crude way of making international policy. Furthermore, the attention of Congress is on the wrong things. If we really want to take responsible action we should be considering the capital gains question and the feed grains program which have stimulated the excess production.

The action proposed today is a complete repudiation of the Trade Expansion Act of 1962. We are openly inviting our allies to scuttle the principles of increased trade and to go back to the old tariff barriers. Even if meat imports will be at the same level under the proposal as they are estimated to be without restrictions, we will raise many doubts about our motives and policies. We cannot expect our economic allies not to reciprocate with tariff barriers.

There is no justification for Congress to take the drastic step of imposing import restrictions without first following the orderly procedures of section 301 of the Trade Expansion Act. When the Tariff Commission finds that an industry has suffered serious injury as a result of our trade policy then we can impose such restrictions as are recommended by the Commission.

Mr. President, the United States cannot afford to pursue a policy of agricultural isolationism and that is the underlying policy of this amendment. We

must consider the broad implications of this amendment on our entire agricultural economy.

Last year the United States exported \$6.151 billion of agricultural commodities with imports at \$4.110 billion for a net gain of \$2.041 billion. This gain was practically all in export sales for dollars, benefiting our balance of payments. In 1963, we had exports of \$5.078 billion and imports of \$3.907 billion for a net gain of \$1.171 billion. If we are ever going to solve our domestic agricultural problems we must continue to seek new markets. We should aim at exports at the level of \$10 billion but we certainly will not achieve this goal if we incite a tariff war.

We can certainly not expect other nations to buy our dairy, grain and soybean exports if we are not willing to buy what they produce. International trade is of course not restricted to agriculture. Can we expect Australia, for instance, to be able to pay for the \$20 million worth of airplane parts it buys from the State of Kansas if we limit our meat purchases? After all, trade must be a two-way street and we cannot expect to gain entry into other markets if we are to restrict meat imports into this country.

The timing is particularly bad when the United States is striving to open new markets during the present round of the GATT negotiations. Adoption of a meat import amendment would completely undercut Governor Herter's position as he takes a hard line for both agricultural and industrial exports.

Mr. President, to summarize, any restrictions on meat imports will result in a hamburger tax to those who can least afford it without assisting the cattle industry. It will repudiate the principles of the Trade Expansion Act of 1962 without making use of its escape clause provisions. It will mean a return to agricultural isolationism and a further intensification of the problems facing our farmers. For these reasons I oppose the amendment and am joining as a cosponsor of the motion to recommit.

Mr. CURTIS. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield 3 minutes to the Senator from Nebraska on the motion to recommit.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. CURTIS. Mr. President, one of the interesting things developed here is the rise to prominence of a number of experts on the cattle business. They state that these imports do not hurt. They state that it will cause ill will abroad, that to increase imports will not lower the prices of beef and all manner of fantastic mythology.

There is not a country in the world that imports goods which it does not need except the United States. There is not a country in the world that will respect the United States if we import goods which we do not need.

The first prerequisite to getting along in the world is to have other nations respect us.

It has been stated on the floor of the Senate that the passage of the proposed

legislation would contribute to ill will from Mexico. If Senators are interested in that subject, they might turn to part I, page 129 of the hearings, and read a letter written by a representative of the Sonora Cattle Growers Association and the Mexican National Cattlemen's Association of Mexico, representing 109,000 members. He points out that on the cattle market the price of cattle in the United States determines the prices in Mexico, and corrective legislation is urged. The United States Department of Agriculture and the State Department of the United States are criticized for injuring the cattlemen of Mexico with executive agreements.

Mr. President, I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOGALES, ARIZ., March 13, 1964.

HON. CARL CURTIS,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR CURTIS: As representative of the Sonora Cattle Grower's Association, and the Mexican National Cattlemen's Association of Mexico, I wish to elaborate and confirm our point of views as presented in the matter of importation of beef into the United States, before the Senate Finance Committee on March 13, 1964.

The Sonora Cattle Grower's Association has a membership of more than 9,000 cattlemen, and the Mexican National Cattlemen's Association has more than 100,000 members.

Last week when a Parliamentary Group of Mexican Senators and Congressmen came to the United States to discuss mutual problems concerning both countries with the Senators and Congressmen of the United States, one of the points that was discussed was that Mexico will be willing to cut their imports of beef into the United States, based on the average of the last 10 years, if all other countries importing beef will do the same. Compared with 1963, Mexico would have to cut its imports approximately 30 percent, Ireland 30 percent, New Zealand 33 percent and Australia 60 percent. Most of the Mexican cattlemen were disappointed when they heard about the agreement that the Department of Agriculture of the United States had made with New Zealand, Australia and Ireland allowing them to ship to the United States the same tonnage, based on their average imports for the years 1962 and 1963, which were the 2 highest years for those countries. Why not take the year 1958 when Mexico, Canada and Argentina had their largest years in regard to tonnage? The Mexican cattlemen have asked their Government not to accept the same agreement as the Department of State and the Department of Agriculture of the United States made with these countries, but have asked their Government to accept the proposed agreement contained in the Senate bill S. 2525, sponsored by Senator MANSFIELD, which is based on the average importation of beef and beef products over the last 5 years for each individual country.

Mexico depends on its cattle industry, which is one of the largest revenues of our country. Our cattlemen have gone through serious hardships and almost complete extinction. First, by the revolutions, second by the hoof and mouth disease, and now the tremendous imports from Australia and New Zealand.

The American cattle market has been considered by the Mexicans as their own market, so any downturn of this market would di-

rectly affect the Mexican cattle industry, who depend almost entirely on this market.

To summarize, I would like to state that the Mexican cattlemen will stand behind the American cattlemen 100 percent on this matter, because the protection of this market is the livelihood of our own people.

It would be appreciated if this letter be incorporated in the records, as an addition to my own testimony of today.

Respectfully submitted.

OCTAVIO R. ELIAS.

Mr. CURTIS. Mr. President, on page 267, Part I of the hearings, there had been inserted in the main body a letter written by a man from Naponee, Nebr. He writes:

I marketed all of the produce from this farm of 1,200 acres last year through 700 head of cattle. I also purchased over 30,000 bushels of grain. As a result of the losses, the banking institutions I do business with demanded a mortgage on \$20,000 worth of equipment and \$20,000 worth of land in order to continue to operate.

I realize all of this was not caused by imports, but it certainly was the straw that broke the camel's back.

In 1957, our imports of beef and veal were about 2½ percent of our consumption. By 1960, they had reached approximately 4.9 percent. They have continued to increase until the figure has reached 11 percent. They have been the major factor in the price slump. Certainly, they have been the major factor which has caused prices to fall in 1964 for cattle, the lowest in 18 years.

Perhaps the distinguished Senator from New York is speaking for the Secretary of Agriculture in opposition to this bill. I sincerely hope he is not speaking for the President of the United States. It is a dire situation for rural America. Our agricultural program is costly. We have a surplus of grain. We can produce meat in the United States. This is a reasonable restraint against imports. It is not an embargo.

Mr. SYMINGTON. Mr. President, will the able Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. SYMINGTON. Let me commend the able Senator for his remarks, made in effort to obtain some relief for the cattlemen of this country.

Some time back his colleague, the able senior Senator from Nebraska [Mr. HRUSKA] introduced an amendment which I was glad to vote for at that time. It was defeated. The Mansfield amendment has now been defeated.

Now I ask the able Senator if it is not true that corporations in this country today are enjoying unprecedented profits.

Mr. CURTIS. I would not know that from firsthand knowledge. But it is so claimed.

Mr. SYMINGTON. I believe the estimated figure of profits of American corporations after taxes, is approximately \$31 billion for this year.

Is it not true that the annual take-home pay of nonfarm workers in the Nation is greater by tens of billions of dollars, again after taxes, than before?

Mr. CURTIS. I think that is correct.

Mr. SYMINGTON. Nevertheless, will not the Senator, an expert in the field of agriculture, agree that many able, ex-

perienced, intelligent, hard-working cattlemen, who have been doing their best to make a living in the beef business here in the United States, have gone bankrupt in recent months?

Mr. CURTIS. That is correct. The general parity ratio for farm prices is the lowest that it has been since 1939. It is below 75 percent. Full parity is referred to as 100 percent.

Mr. SYMINGTON. Mr. President, I was glad to note that there has been a considerable increase recently in the price of cattle. Does the Senator not agree, however, that, unless we take additional steps, comparable to those previously recommended by his colleague, in the curtailing of imports, the future could be bleak, indeed, for beef producers in this country?

Mr. CURTIS. Yes. And I think it is important that we seek also to retain the good will of the countries. If we let them build up imports in the next year or two, beyond what they are now, and then take them away from them, we create their enmity.

It is claimed that the imports are down right now. Temporarily they are. If we now impose reasonable limits—and these are reasonable; it is not an embargo—we serve notice on them. They can then plan their economy in that way. And we are not in the position of granting them a right to export to this country, and then taking it away later. That is the reason that this legislation is important now.

Mr. SYMINGTON. I thank the able Senator. A figure I noted from a well-known paper in his State showed that in the last 10 years exports from one country alone, to the United States, increased 32,000 percent. The paper was the Omaha World Herald. They published a series of articles.

I commend the Senator for his contributions and would associate myself with his remarks. I hope we can accomplish some improvement for the cattle business of my State, his State, and the United States.

Mr. CURTIS. I thank the distinguished Senator.

Mr. JAVITS. Mr. President, I ask the senior Senator from Nebraska to yield me 2 minutes.

Mr. HRUSKA. Mr. President, I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, in reply to the junior Senator from Nebraska [Mr. CURTIS], let me say that all foreign sellers of livestock to cattlemen in the United States are very much in favor of higher prices in the United States. That is true of Mexico. But this bill does not affect that situation at all. This bill deals with meat which is imported into the United States. I assume that Mexico exports some. But I can well understand why the gentleman from Sonora said what he said. It would help his business.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CURTIS. His point was that the imports drive prices down in the United States. The imports also drive prices down in Mexico. That is what happened.

Mr. JAVITS. Does the Senator deny the fact that Mexico sells live cattle to American producers, feeders, and so on?

Mr. CURTIS. That is correct. The Senator is establishing the point that increasing imports drive prices down.

Mr. JAVITS. But this bill would not deal with such imports. This bill deals only with the imports of meat.

Mr. MANSFIELD. It does not deal with imports from Mexico or Canada. They do not constitute a threat.

Mr. JAVITS. That is correct. I am not an expert on this subject. They used to call me the window-box farmer of New York in the House of Representatives. But I am an expert on consumers. I have to be. We have millions in New York, as they have in every other populous industrious center. I am speaking in the interest of the consumers.

If we keep an umbrella over this business and at the same time prevent the law of supply and demand from taking effect, it will cut off competition. The economy will not operate properly. Consumers will be hurt irremediably. This is quite apart from the harm to the reciprocal trade picture of the United States.

It is in that interest that I am speaking, which interest I represent, which I have every right to represent, and which needs to be represented in matters of this kind before the Senate. It is in the interest of the consumer, and of the foreign economic policy of our country that I ask that the Senate vote to recommit the bill.

I thank the Senator for yielding.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 3 minutes.

Mr. HUMPHREY. Mr. President, it is well known that our agricultural economy plays a very important part in the overall economy of the Nation. It also is well known that this sector of our total national economy has suffered greatly from the lack of adequate income. It has not wholly shared in the national prosperity.

In my own State of Minnesota, agriculture plays an important part in the economic well-being of our people. Among the many diverse economic enterprises in our State is the production and feeding of a vast amount of cattle. When cattle prices drop, as they have in recent months, it not only affects the cattlemen of the State of Minnesota, but it involves the earning power of every region, every town, and every city.

It is for this reason that I have a deep interest in the bill that is now before the Senate, and a very deep interest in the whole subject of agricultural prices.

Every effort must be made by Congress to improve agricultural income, and to

help our farmers maintain a higher standard of living.

During the past several months I have met with representatives of livestock associations and the farmers of my State in order to better understand their difficulties and their problems. I have discussed the subject of beef prices many times with the President of the United States, the Secretary of State, the Secretary of Agriculture, and with other governmental officials. I made what I thought were some constructive recommendations, some of which have been adopted; and I believe have been helpful. Among these are cumulative purchases by the Department of Agriculture of nearly 150 million pounds of beef for schools, institutions, and the feeding of needy families. In addition, the Department of Defense has increased its purchases of beef by 100 million pounds. These efforts on the part of the Department of Agriculture and the Department of Defense have done a great deal to increase the market price of cattle, and I believe they have served very well to improve the income situation in recent weeks of our cattle producers and feeders. Considerable progress has been made through Government beef-purchase programs, industry-Government beef-merchandising drives, export-promotion projects to seek beef markets in Europe, and food-for-peace sales of beef throughout the world.

I commend the President of the United States upon his initiative, and also the livestock industry of our country, including the packers, for the export program that is underway, and the sales promotion program in Western European markets.

Australia and New Zealand have been diverting a large amount of their beef from the American market into Western European markets. The governments of these countries also should be commended.

Lest we forget, Australia and New Zealand have been very cooperative with our Government. They deserve a great deal of praise for their efforts to understand the problem of our own domestic cattle producers. The Government of the United States has worked carefully and closely with the governments of Australia and New Zealand in a most cooperative and friendly manner, and as a result beef imports have been reduced. Insofar as today is concerned, there is no real adverse effect upon the market price by reason of beef imports.

However, there is a problem of a growing population of beef cattle which surely will manifest itself in the months ahead in terms of supply and poundage. The most important factor in the matter of beef is not the number of cattle on the range or the number of cattle in the feeder lots; it is the weight of the cattle.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. PASTORE. Why is this a problem that must be met in the way proposed, and not a problem that is recognized by the executive department.

Mr. HUMPHREY. I say most respectfully to the Senator from Rhode Island

that it seems to me that it is a problem that could have been more forcefully met in the early negotiations.

But a large influx of imports took place that had a depressing effect upon market prices. The immediate reaction of the cattle producer was to hold his cattle and to fatten them in the hope that somehow or other he would be able to recoup his temporary losses. As the market increases in size, that is, as the availability of supply increases in amount due to additional weight, market prices continue to fall. It is a vicious circle.

Mr. PASTORE. The point that the Senator from Rhode Island makes is that no man should understand what the Senator from Minnesota has said better than the Secretary of Agriculture, and yet he has opposed the measure. I ask the question, Why? Why should there be a lack of understanding between the Congress and the executive department if we are concerned in the same objective? The Senator from Rhode Island has more or less made the same suggestion in relation to textiles. The only thing that grieves him at the moment is that while he sympathizes with the objective of the bill, this bill addresses itself to only one facet of our economic problems. A mill operator or worker in Rhode Island who loses his job is as precious as any cattleman, and yet we are not including textiles in the bill. I can understand why we are not including textiles in the bill.

The same statement applies to electrical components. Those engaged in that industry are having trouble because of the astronomical imports that are hitting the markets and putting American workers out of jobs. The Senator from Rhode Island is asking the following question: Why is this a problem that is so well understood by the Congress and yet not understood by the executive department? What separates us? Why must we go to the measure that is before the Senate? We voted for the Trade Expansion Act. We all believe in the expansion of trade. But we are saying that many problems now confront American industry. We are destroying American jobs. We are hurting the American cattlemen. Why does not the administration understand that?

Mr. HUMPHREY. The administration does understand it. Some of us in Congress have a sympathetic understanding, too. I voted for the cotton bill not only to help cotton producers, but also to help the entire textile industry.

Mr. PASTORE. Oh, no.

Mr. HUMPHREY. Oh, yes.

Mr. PASTORE. That was done rather wrongly. The Senator from Rhode Island wanted an 8-cent differential to be added at the import gate, and the Tariff Commission said, "No." They said "No" because the Japanese had said, "If you do this, we will not buy your raw cotton." They frightened us into doing the wrong thing. What did we do? We started to pay out subsidy money, which was absolutely the wrong thing to do. We should have put the price on the import gate, and then we would have equalized the differential.

Mr. HUMPHREY. There are many approaches to the problem. I had an approach, which was a production payment to producers, which would have gotten away from the gimmicks in the bill that finally was passed. I believe that would have been the sensible way to proceed, because it would have let the free market operate and at the same time it would have permitted the textile industry of the United States to compete with the textile industry abroad. The supplies that it needs for its processing would be at the world market prices, and it would have permitted the producer to have a reasonable price for the commodity through production payments plus the world price.

I frankly state to the Senator that this is a most difficult problem for me. I know the importance of world trade. I would be less than honest if I did not say that as we take this step, we ought to be fully cognizant of the fact that there are those who probably will resent it.

But we would not affect the Western European market, or the Common Market, in which we now have the Kennedy round of negotiations on the matter of trade agreements or tariffs. The Common Market does not export any beef products. It imports substantial amounts of beef products. In one sense we are attempting to ascertain how much the market will absorb without jeopardizing an entire section of our country. I speak of outside goods. We must be exceedingly candid; and some of our colleagues have spoken with great candor.

Mr. President, at the time I made my recommendations as to what might be done to improve the situation in our livestock industry I pointed out that the responsible committees of the Congress should fully assess all the implications of quota or tariff action on the part of the United States. This assessment now has been made by the Senate Finance Committee and has resulted in consideration of the bill before us.

I did not vote for the Hruska amendment to the wheat-cotton bill. It would have jeopardized that bill and would have sought to limit beef imports even though hearings had not been held on the amendment and there had been no opportunity for those both for and against it to present their cases. Now, however, the matter has been fully aired. The cotton-wheat bill is law and the hearings on the question of beef imports have been held.

I will vote for this bill, Mr. President, because the farmers of this country need every bit of help we can give them. Import curbs alone will not solve the problem being faced by our cattlemen. But this is one step that could bring some relief to our livestock industry.

Mr. President, as an indication of some of the steps this administration has taken to strengthen cattle prices I call to the attention of the Senate the following material:

On January 3, 1964, Secretary of Agriculture Orville Freeman invited representatives of cattlemen's associations and farm organizations to meet with him in Washington, D.C., to discuss beef im-

ports and related matters. I ask unanimous consent that the Department of Agriculture press release announcing this meeting be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

SECRETARY INVITES CATTLEMEN To DISCUSS BEEF IMPORTS

Secretary of Agriculture Orville L. Freeman today announced he has invited representatives of cattlemen's associations and farm organizations to meet with him in Washington, D.C., at 10 a.m., on January 8, to discuss beef imports and related matters.

This meeting is a followup to a meeting called by the Secretary on October 29, 1963. Since that meeting the U.S. Department of Agriculture has made an intensive study of the beef import situation, including methods by which beef imports might be limited. Representatives of cattlemen's associations at the October meeting indicated their interest in expanded beef promotional efforts to move supplies into consumption at the best possible prices.

The Secretary's wire stated that he continues to be deeply concerned with cattle prices and growing beef imports, and indicated that in the meeting USDA will report on actions which are being taken to improve beef prices and to share the U.S. beef market in the future with other countries on an equitable basis.

Beef industry representatives have been invited to report on progress they have made in expanding beef promotion efforts in order to move beef supplies to market at the best possible prices.

The following people were invited:

Cushman S. Radebaugh, president, American National Cattlemen's Association, Orlando, Fla.

C. W. McMillan, executive vice president, American National Cattlemen's Association, Denver, Colo.

Brooks Keogh, vice president, American National Cattlemen's Association, Keene, N. Dak.

Harvey McDougal, vice president, American National Cattlemen's Association, Rio Vista, Calif.

Jay Taylor, First National Bank Building, Amarillo, Tex.

W. D. Farr, Greeley, Colo.

Erwin E. Dubbert, president, National Livestock Feeders Association, Laurens, Iowa.

Don F. Magdnaz, executive secretary-treasurer, National Livestock Feeders Association, Omaha, Nebr.

O. C. Swackhamer, Tarkio, Mo.

Reese Van Vranken, Climax, Mich.

Earl Monahan, Hyannis, Nebr.

Bob Barthelmess, Miles City, Mont.

Woodrow W. King, No. 2 Kinglore Farms, Inc., Rock Falls, Ill.

Don Clark, Brooke, Ind.

Harlan Hollewell, vice president, National Livestock Feeders Association, Milledgeville, Ill.

Richard B. Carothers, Paris, Tenn.

Maurice Jones, director, National Livestock Feeders Association, Wauseon, Ohio.

Kenneth Anderson, Emporia, Kans.

Leo J. Welder, Victoria, Tex.

William F. Brannon, Marietta, Okla.

Secretary Freeman said he also had invited the following organizations to send representatives to the meeting:

National Grange, Washington, D.C.

National Farmers Union, Washington, D.C.

American Farm Bureau Federation, Chicago, Ill.

National Farmers Organization, Corning, Iowa.

Missouri Farmers Association, Columbia, Mo.

Mr. HUMPHREY. Mr. President, in a further effort to improve prices to producers, Secretary Freeman announced March 1, 1964, that the U.S. Department of Agriculture would initiate two beef purchase programs. I ask unanimous consent that this USDA press release be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

SECRETARY FREEMAN ANNOUNCES TWO-WAY PURCHASE PROGRAM To ASSIST CATTLE PRODUCERS

Secretary of Agriculture Orville L. Freeman today announced that the U.S. Department of Agriculture will initiate two beef purchase programs in a further effort to improve prices to producers.

The Department will buy substantial quantities of USDA Choice grade beef for distribution primarily to schools. It will be bought in the form of frozen boned roasts and ground beef.

Under the second program, USDA will purchase substantial quantities of canned beef in natural juices for distribution to needy families.

The Secretary said that the removal of beef supplies from normal channels for distribution to schools and needy persons should be effective in stabilizing and improving cattle prices at a time when substantial numbers of fed cattle are moving to market. At the same time the Secretary called consumers' attention to the availability of plentiful supplies of high quality beef being offered at attractive prices. He also urged retailers to give added efforts to beef merchandising programs as a means of moving additional supplies through normal channels of distribution.

In announcing plans to buy two different types of beef product, the Secretary explained that the price effects are expected to be spread throughout the various grades of beef.

Funds for the purchase program are provided under section 32, Public Law 320.

Last fall, 34 million pounds of frozen ground beef and 24 million pounds of canned pork were acquired for the school lunch program. Approximately 103 million pounds of chopped meat have been purchased during the current fiscal year for needy persons. Currently, this product, along with a variety of other foods, is being distributed to about 6 million individuals. In this connection, the Secretary called attention to his announcement last week that egg solids will be added to the foods being distributed to needy persons by the Department.

Details of offers for the beef products will be mailed to the industry next week. Inquiries regarding the new program should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C., 20250.

Mr. HUMPHREY. Mr. President, the next day the Department issued further details of its two-way beef purchase program. I ask unanimous consent that the press release announcing these details be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

USDA ANNOUNCES DETAILS OF BEEF PURCHASE PROGRAM

The U.S. Department of Agriculture today issued further details of the two-way beef purchase program announced yesterday by Secretary of Agriculture Orville L. Freeman (press release USDA 689-64).

USDA's Agricultural Marketing Service said purchase operations for acquiring frozen and

canned beef products—for distribution to schools, institutions, and needy families—are already underway. Acceptances will begin next week.

The Livestock Division of AMS will buy USDA Choice grade frozen boned roasts and ground beef for distribution to schools and other eligible institutions. Canned beef in natural juices—utilizing grades of USDA Cutter and higher—will be purchased for distribution primarily to needy families.

Offers for canned beef in natural juices are due by noon (e.s.t.) Tuesday, March 10, and each Tuesday thereafter until further notice. The product must be prepared in accordance with Schedule BJ: USDA Specification for Beef With Natural Juices, Canned—March 1964. Offers for the product, packed in 29-ounce cans, must be made in minimum carlot quantities of 63,510 pounds. Deliveries under the first week's awards will be due during the weeks beginning April 6, 13, 20, and 27.

Offers for frozen roasts and ground beef are due by 1 p.m. (e.s.t.) Tuesday, March 10, and each Tuesday thereafter until further notice. The product must be prepared in accordance with Schedule AB: USDA Specification for Beef, Boneless, Frozen—March 1964, except that the rib and loin of the carcass must be withheld. Offers must be made in minimum carlot quantities of 21,000 pounds. Deliveries under the first week's awards will be due during the weeks beginning March 30, and April 6, 13, and 20.

Offers either by letter or telegram should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. USDA will make acceptances by midnight Friday of each week, following receipt of offers.

Details, contained in invitations for offers, Nos. 11 and 12, will be mailed to industry later this week. Interested persons not receiving copies of the invitations in this initial distribution may obtain them from the AMS Livestock Division at the above address.

Funds for the purchase programs are provided under section 32, Public Law 320.

The Livestock Division said all products acquired under both programs will be prepared from animals slaughtered and processed within the United States. Offers will be accepted only from vendors operating in compliance with the Humane Slaughter Act of 1958.

Secretary Freeman said the purchase programs are being initiated in a further effort to improve prices to cattle producers. By buying the different types of product, the Secretary explained that the price effects are expected to be spread throughout the various grades of beef.

Inquiries regarding the programs should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C.

Mr. HUMPHREY. Mr. President, on May 19, 1964, the National Advisory Committee on Cattle, following a 2-day meeting at the Department of Agriculture, made its recommendations to Secretary Freeman aimed at strengthening the cattle industry. I ask unanimous consent that the National Advisory Committee on Cattle's press release be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

ADVISORY COMMITTEE RECOMMENDS WAYS To STRENGTHEN CATTLE INDUSTRY

The National Advisory Committee on Cattle, in a 2-day meeting May 18 and 19 at the U.S. Department of Agriculture in Washington, D.C., made the following major rec-

ommendations to Secretary of Agriculture Orville L. Freeman aimed at strengthening the cattle industry:

That industry cooperate with the Foreign Agricultural Service in promoting commercial sale of U.S. cattle and beef overseas, using available market development funds.

That USDA continue its current beef purchase program, and for the immediate future limit buying as at present to beef of USDA choice quality. However, the purchase program should be kept flexible so it can meet changing needs.

That the Secretary of Agriculture and the Department of State work with Australia, New Zealand, Ireland, and Mexico to obtain their cooperation to reduce their shipments to the U.S. market to the maximum possible extent, and to initiate similar action with other important countries exporting chilled or frozen beef or veal with which voluntary limitations have not been negotiated, and further that in this effort the concentrated shipment of primal cuts to any one port of entry be reduced and that such shipments be apportioned among the different ports of entry on a reasonable basis.

That Congress pass legislation authorizing emergency loans by the Farmers Home Administration to farmers and ranchers where the Secretary of Agriculture finds that serious economic conditions have created a need for credit which local sources can't meet.

That USDA institute changes in beef grading to include cutability on an optional basis and deemphasize maturity as a grading factor to encourage marketing of lighter cattle.

At the same time the Committee went on record against incentive payments to stimulate marketing of lightweight cattle.

Other subjects discussed included changing conditions of beef production, foreign trade, Public Law 480 shipments, commercial exports, and GATT trade negotiations.

Secretary Freeman established the Committee in March to consult with leaders of the livestock and meat industry on what is being done and what can be done to strengthen beef cattle prices. Committee membership totals 38, including 3 USDA officials.

Chairman of the Committee is Willard W. Cochrane, USDA Director of Agricultural Economics. S. R. Smith, Agricultural Marketing Service Administrator, is Vice Chairman. Winn F. Finner, USDA staff economist, is executive secretary.

Mr. HUMPHREY. Mr. President, acting on behalf of the entire U.S. livestock and meat industry, Secretary Freeman on May 26, 1964, signed a cooperative market development agreement with the American Meat Institute. This agreement is aimed at building sales of U.S. livestock products, beef, and other meat and meat products in Western Europe and the United Kingdom. I ask unanimous consent that the USDA press release announcing this agreement be printed at this point in the RECORD and that following it there be printed a statement by Secretary Freeman upon his signing the agreement.

There being no objection, the press release and statement were ordered to be printed in the RECORD, as follows:

EXPORT PROMOTION PROJECT TO SEEK BEEF MARKETS IN EUROPE

Secretary of Agriculture Orville L. Freeman today signed a cooperative market development agreement with the American Meat Institute, acting on behalf of the entire U.S. livestock and meat industry, aimed at building sales of U.S. livestock products, beef, and other meat and meat products in Western Europe and the United Kingdom.

Dr. Herreil DeGraff, president, American Meat Institute, signed the project agreement on behalf of the cooperator.

The new project is part of the program of export market development carried out through joint financing by the U.S. Department of Agriculture and U.S. agricultural and trade groups, with USDA's contribution coming from Public Law 480 market development funds. A National Advisory Committee on Cattle, meeting here last week, had recommended to the Secretary that industry cooperate with the Foreign Agricultural Service—and had endorsed the AMI as cooperator, on behalf of the entire industry—in promoting commercial sale of U.S. cattle and beef overseas, using available market development funds.

Countries where developmental activity will take place include the United Kingdom, West Germany, France, Italy, Belgium, Switzerland, the Netherlands, and Spain. In each of these countries, meat supplies currently are lower than normal and prices to consumers are unusually high. A special mission recently sent by the President to study U.S. beef marketing prospects in Europe concluded that prospects are good for some export sales to the area in the months ahead.

The market development agreement authorizes a wide range of activities on the part of the cooperator and associated U.S. livestock and meat groups, among them:

Make market investigations to locate potential markets for U.S. livestock products.

Provide both U.S. suppliers and foreign buyers with marketing information.

Arrange visits to the United States of teams of potential buyers.

Conduct U.S. meat exhibits and trade conferences at international trade fairs, specifically in Hamburg, Germany, August 14-23, and Paris, France, November 8-16.

And carry out other related promotions, including distribution of promotional materials abroad and obtaining the cooperation of foreign meat trade and industry interests.

STATEMENT BY SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN AT SIGNING OF MARKET DEVELOPMENT PROJECT WITH AMERICAN MEAT INSTITUTE, MAY 26, 1964, WASHINGTON, D.C.

At this time when so many segments of American agriculture are enjoying export activity unparalleled in our history, it gives me great satisfaction to sign a document aimed at helping our livestock and meat industries join this rewarding parade.

We are signing here an agreement of cooperation between the U.S. Department of Agriculture and the American Meat Institute the purpose of which is to benefit the entire U.S. livestock and meat industry by promoting export sales to Europe of our beef, other meats and meat products, and livestock products generally.

This is a jointly financed project and, on our part, we think it represents an especially timely and worthwhile use of market development funds from the Public Law 480 program.

I know that the President is pleased at our joint progress in setting up this project. His beef market mission that went to Europe earlier this month and its findings helped prepare the way for this promotion. Also, the National Advisory Committee on Cattle which met here last week gave this type of project its highest recommendation.

American agriculture is a heavy supplier of world trade in a number of livestock products, including variety meats, tallow, lard, and hides and skins—but it has been many years since we have been a substantial exporter of beef or other red meats. Today, however, we have an unusual opportunity to get back into the stream of world trade. Beef particularly is in short supply in

Europe, prices have been rising, and prosperous consumers want more beef. We have the supplies to sell them, provided we can get together on prices and other conditions. The purpose of this project is to service this good market in such a way that we do get together and sales are made.

It is not easy to enter a new market—or in this case, to reenter a former market where trade contacts have to be entirely rebuilt. But we are putting together, in this agreement, the best knowledge and experience available in the United States and I am hopeful of good results.

We are grateful to the American Meat Institute for its support and participation in this endeavor. The American Meat Institute as cooperator in this program is acting explicitly on behalf of the entire livestock and meat industry of this Nation. The agreement is framed to that end. We believe also that this cooperation will benefit all Americans and it will set a pattern of useful collaboration between these industries and our Government.

Mr. HUMPHREY. Mr. President, on May 28, 1964, continuing the policy of the administration to help augment industry efforts to increase consumption of beef, Secretary Freeman announced an intensive summer-long industry-Government campaign to maintain and increase consumption of the abundant supplies of high-quality beef. I ask unanimous consent that the press release issued by the Department of Agriculture announcing this campaign to be printed at this point in the RECORD.

Mr. President, food-for-peace entered the picture June 30, 1964, with the announcement by Secretary Freeman of a food-for-peace agreement between the United States and Chile to finance the dollar credit sale of \$20,922,000 worth of U.S. agricultural commodities. I ask unanimous consent that the press release announcing this agreement be printed at this point in the RECORD.

Mr. President, on July 1, 1964, the Department of Agriculture announced the purchase of 7,238,190 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families. Purchases that day brought total beef purchases since buying began March 2 to 127 million pounds at a cost of \$71,800,000. I ask unanimous consent that the USDA press release announcing these purchases be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

USDA-INDUSTRY SUMMER MERCHANDISING DRIVE FOR BEEF ANNOUNCED

Secretary of Agriculture Orville L. Freeman today announced an intensive summer-long industry-Government campaign to maintain and increase consumption of the abundant supplies of high quality beef that will continue to offer consumers attractive buys for the coming months.

The announcement followed a meeting of the Secretary with Carl F. Neumann, secretary-general manager of the National Live Stock and Meat Board, at which Mr. Neumann reported on industry's continued efforts to move the large volume of beef cattle now being marketed through regular trade channels.

As a result of the cooperative drive launched in mid-March to call consumer attention to beef, all segments of the food distributive and food service trades have re-

ported a significant upsurge in consumer beef buying.

"We are indebted to the Nation's imaginative and vigorous food and allied industries for their cooperation in this far-reaching effort," Secretary Freeman said.

"The U.S. Department of Agriculture is engaged in several actions to maintain an economically healthy livestock industry for the future of America's food and agriculture, and I consider the expansion of our domestic markets the key element," the Secretary emphasized.

"We want to increase our efforts during the summer months, when 'outdoor living' offers millions of 'patio chefs' the opportunity to serve a wide variety of nutritious beef cuts that can be easily prepared on grills and barbecue equipment," the Secretary added. "At the same time, I know we can count upon restaurant and food service operators to offer a maximum of attractive beef dishes during the summer travel and vacation season."

The Secretary said all agencies of USDA will continue to help augment industry efforts to increase consumption of beef.

BEEF INCLUDED IN FOOD FOR PEACE DOLLAR CREDIT SALE TO CHILE

Secretary of Agriculture Orville L. Freeman today announced a Food for Peace agreement between the United States and Chile to finance the dollar credit sale of \$20,922,000 worth of U.S. agricultural commodities, including certain ocean transportation costs.

The sale, made under title IV of Public Law 480, includes about 6.6 million pounds of U.S. beef, the first beef to be included in a title IV sales agreement. Sale of the beef is contingent upon Chile maintaining its normal purchases of beef and veal from other free world suppliers (principally Argentina and Uruguay), thereby protecting its customary trading relationships. Chile is normally an importer of beef and live cattle. Imports to be made under the U.S. sales agreement will help to compensate for some decline in Chile's own livestock production and will help to meet Chile's increasing consumer demand for beef.

Title IV of Public Law 480 authorizes long-term dollar credit sales, facilitates expansion of dollar markets abroad for U.S. farm commodities, and assists in the economic development of friendly countries.

Chile will use the proceeds from the sale of the commodities in Chile for economic and social development projects, under the Alliance for Progress program.

Commodities included in the agreement, which is an amendment to a title IV agreement of August 7, 1962, with Chile, are:

Commodity:

Beef (about 6.6 million pounds)	\$2,150,000
Soybean or cottonseed oil (about 13.2 million pounds) ..	1,435,000
Wheat, wheat flour or bulgur wheat (about 5.3 million bushels)	9,790,000
Butter or anhydrous milk fat (about 2.2 million pounds) ..	820,000
Tobacco (about 1.4 million pounds)	1,820,000
Cotton (about 22,600 bales) ..	3,245,000
Ocean transportation (estimated)	1,662,000
Total.....	20,922,000

All commodities are to be purchased by December 31, 1964, from U.S. private traders. Credit purchase authorizations will be announced later.

USDA BEEF PURCHASES UP THIS WEEK ON INCREASED OFFERINGS FROM INDUSTRY

The U.S. Department of Agriculture today announced purchase of 7,238,190 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families. USDA said purchases were increased this week as a result of industry offerings of more than twice the quantity offered last week.

USDA's Agricultural Marketing Service paid 57.72 to 59 cents per pound for 136 cars of frozen beef. Offers were accepted from 20 of 24 bidders who offered a total of 6,069,000 pounds. Top price bid was 67.30 cents per pound. Today's awards are due for delivery during the period July 20 through August 15.

Prices for 69 cars of canned beef ranged from 67.82 to 68.49 cents per pound. Offers were accepted from all of 11 bidders who offered a total of 5,398,350 pounds. Top price bid was 70.49 cents per pound. Today's awards are due for delivery during the period July 27 through August 22.

Funds for the purchases are provided under section 32, Public Law 320. All products acquired under this program are prepared from animals slaughtered and processed within the United States.

Offers for frozen beef are invited again next week and are due by 1 p.m. (e.d.t.) Tuesday, July 7. USDA will make acceptances by midnight Friday, July 10. Next week's awards will be due for delivery during the weeks beginning July 27, and August 3, 10, and 17.

Offers for canned beef are due by noon (e.d.t.) Tuesday, July 7. USDA will make acceptances by midnight Friday, July 10. Next week's awards will be due for delivery during the weeks beginning August 3, 10, 17, and 24.

This week's purchases included 2,856,000 pounds of USDA Choice grade frozen ground beef and boneless roasts for distribution to schools and institutions, and 4,382,190 pounds of Choice grade canned beef for distribution to needy families. Total beef purchases since buying began March 2 amount to 127 million pounds at a cost of \$71,800,000.

Inquiries regarding the program should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C.

Details of this week's awards follow:

FROZEN BEEF

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
L. B. Darling Co., Inc.: Worcester, Mass.....	21,000	57.72
Do.....	21,000	58.23
Illinois Packing Co.: Chicago, Ill.....	105,000	58.00
Do.....	105,000	58.50
Do.....	105,000	58.75
Do.....	105,000	58.95
Western Packing Co., Seattle, Wash.....	21,000	58.24
Hersam Meat & Provision Co.: Madison, Wis.....	21,000	58.34
Do.....	21,000	58.44
Union Packing Co.: Los Angeles, Calif.....	105,000	58.46
Do.....	105,000	58.71
Do.....	210,000	58.96
Rudnek & Silva, Inc.: Stockton, Calif.....	105,000	58.58
Do.....	105,000	58.78
Do.....	105,000	58.98
Hygrade Food Products Corp.: Storm Lake, Iowa.....	21,000	58.72
Do.....	21,000	58.82
Do.....	21,000	58.92
Wilson & Co., Inc.: Albert Lea, Minn.....	21,000	58.87
Cedar Rapids, Iowa.....	21,000	58.87
Omaha, Nebr.....	21,000	58.87
Oklahoma City, Okla.....	42,000	58.87
Serv-All Foods, Inc., Covington, Ky.....	84,000	58.88

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
Piute Packing Co.: Bakersfield, Calif.....	105,000	58.91
Do.....	105,000	58.97
Jefferson Packing Co., Hoboken, N.J.....	63,000	58.91
Durham Meat Co., Mountain View, Calif.....	252,000	58.91395
Liebmann Packing Co., Green Bay, Wis.....	21,000	58.94
Somerville Dressed Meat Co.: Boston, Mass.....	63,000	58.95
Do.....	105,000	58.97
Armour & Co., Nampa, Idaho.....	42,000	58.95
Acme Meat Co., Los Angeles, Calif.....	84,000	58.97
Gold-Pak Meat Co., Los Angeles, Calif.....	336,000	58.97
S. Beck Meat Co., Chicago, Ill.....	21,000	59.00
Excel Packing Co., Wichita, Kans.....	63,000	59.00
Kansas Packing Co., Wichita, Kans.....	84,000	59.00

CANNED BEEF

The Ellis Canning Co.: Denver, Colo.....	127,020	67.82
Do.....	127,020	68.42
Rocking K Foods, Inc., Los Angeles, Calif.....	317,550	67.97
Oscar Mayer & Co.: Madison, Wis.....	63,510	67.98
Do.....	63,510	68.48
Trenton Foods, Inc.: Trenton, Mo.....	1,016,160	68.20
Do.....	508,080	68.49
John Morrell & Co.: Ottumwa, Iowa.....	127,020	68.29
Memphis, Tenn.....	63,510	68.49
Granite State Canning Corp., Manchester, N.H.....	254,040	68.34
Rutherford Food Corp., Kansas City, Mo.....	190,530	68.38
Silver Skillet Food Products Co., Skokie, Ill.....	444,570	68.42
Hygrade Food Products Corp.: Indianapolis, Ind.....	381,060	68.42
Tacoma, Wash.....	127,020	68.42
Orangeburg, S.C.....	190,530	68.42
Blue Star Foods, Inc.: Council Bluffs, Iowa.....	317,550	68.46
Bryan Bros. Packing Co.: West Point, Miss.....	63,510	68.49

Reflects discount for 10-day payment.

Mr. HUMPHREY. Mr. President, on July 6, 1964, another food-for-peace agreement was announced with the sale of \$2.1 million worth of U.S. frozen beef to Israel for Israeli pounds. I ask unanimous consent that the press release announcing this agreement be printed at this point in the RECORD and that following this there be printed a statement by Secretary Freeman upon the signing of the agreement.

There being no objection, the press release and statement were ordered to be printed in the RECORD, as follows:

FOOD-FOR-PEACE SALE OF \$2,100,000 WORTH OF U.S. BEEF TO ISRAEL ANNOUNCED

Secretary of Agriculture Orville A. Freeman announced signing today of an amended food-for-peace agreement between the Governments of the United States and Israel to provide for sale of \$2.1 million worth of U.S. frozen beef for Israeli pounds.

Financing of the sale will be from funds in the title I, Public Law 480 agreement of December 6, 1962.

The frozen beef—about 6.6 million pounds—included in the amendment announced today will help meet rapidly rising consumption needs in Israel. This Public Law 480 sale of beef is one of several recent actions by the U.S. Department of Agriculture.

ture to help utilize plentiful U.S. beef supplies.

Sales of beef to Israel under this amended Public Law 480 agreement will be by private U.S. traders. Purchase authorizations will be announced later.

STATEMENT BY SECRETARY OF AGRICULTURE
ORVILLE L. FREEMAN AT SIGNING OF PUBLIC
LAW 480 AMENDMENT AUTHORIZING SALE
OF BEEF TO GOVERNMENT OF ISRAEL, JULY
6, 1964

I take double pleasure from signing this beef sales agreement with the Government of Israel because it is the second agreement to export beef under Public Law 480 that the U.S. Government has made in the last 2 weeks.

The other was the beef sales agreement with Chile which was concluded on June 30 for approximately the same amount—6.6 million pounds.

I am sure that American cattle growers are gratified to know that as a result of agreements such as these, carcass beef will be moving actively to foreign consumers under Public Law 480 food-for-peace program.

Transactions such as we are setting in motion today are helpful both to buyer and to seller. The Israel sale will be primarily beef forequarters which, during the current period of heavy supplies, are more difficult to move through commercial channels.

For Israel, it means that larger supplies of beef will become available in consumer markets and supplies on hand, which were becoming too low, and can be rebuilt.

For American cattlemen, this sale to Israel plus other export sales now taking shape, should have a healthful effect upon our domestic cattle prices—which, I'm pleased to note, have been strengthening in recent days.

As we announced a short time ago, beef is now fully qualified for consideration under the Public Law 480 program. This program not only has the purpose of sharing our abundance with friendly countries but also is calculated to help build future cash markets. With this dual objective in mind, I am pleased to approve this beef export agreement.

Mr. HUMPHREY. Mr. President, on July 9, 1964, Department of Agriculture beef purchases were increased by more than 1 million pounds over the previous week's purchases. The Department bought 8,381,460 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families, bringing total beef purchases since buying began March 2 to 135,400,000 pounds at a cost of \$77 million. I ask unanimous consent that the press release announcing these purchases be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

**USDA BEEF PURCHASES UP AGAIN THIS WEEK
ON SLIGHTLY INCREASED OFFERINGS**

The U.S. Department of Agriculture today bought 8,381,460 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families. USDA purchases were increased by more than a million pounds over last week.

USDA's Agricultural Marketing Service paid 56.14 to 59 cents per pound for 260 cars of frozen beef. Offers were accepted from 23 of 25 bidders who offered a total of 7,287,000 pounds. Top price bid was 63.47 cents per pound. Today's awards are due for delivery during the period July 27 through August 22.

Prices paid for 46 cars of canned beef ranged from 67.49 to 68.77 cents per pound.

Offers were accepted from 7 of 11-bidders who offered a total of 4,572,720 pounds. Top price bid was 70.96 cents per pound. Today's awards are due for delivery during the period August 3 through August 29.

Funds for the purchases are provided under section 32, Public Law 320. All products acquired under this program are prepared from animals slaughtered and processed within the United States.

Offers for frozen beef are invited again next week, and are due by 1 p.m. (e.d.t.) Tuesday, July 14. USDA will make acceptances by midnight Friday, July 17. Next week's awards will be due for delivery during the weeks beginning August 3, 10, 17, and 24.

Offers for canned beef are due by noon (e.d.t.) Tuesday, July 14. USDA will make acceptances by midnight Friday, July 17. Next week's awards will be due for delivery during the weeks beginning August 10, 17, 24, and 31.

This week's purchases included 5,460,000 pounds of USDA Choice grade frozen ground beef and boneless roasts for distribution to schools and institutions, and 2,921,460 pounds of Choice grade canned beef for distribution to needy families. Total beef purchases since buying began March 2 amount to 135,400,000 pounds at a cost of \$77 million.

Inquiries regarding the program should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C.

Details of today's awards follow:

FROZEN BEEF

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
King Meat Packing Co., Los Angeles, Calif.	84,000	56.14
Somerville Dressed Meat Co.: Boston, Mass.	210,000	57.94
Do.	126,000	58.47
Do.	210,000	58.64
John Minder & Son, Inc.: Newark, N.J.	126,000	1 58.20750
Do.	126,000	1 58.35675
Do.	126,000	1 58.45625
Do.	126,000	1 58.70500
Rudnick & Silva: Stockton, Calif.	105,000	58.58
Do.	105,000	58.78
Do.	105,000	58.98
Armour and Co.: Kansas City, Kans.	147,000	58.73
Do.	105,000	58.95
St. Paul, Minn.	126,000	58.98
Peoria, Ill.	84,000	58.98
Omaha, Nebr.	210,000	59.00
St. Joseph, Mo.	42,000	59.00
L. B. Darling Co., Inc.: Worcester, Mass.	21,000	58.75
Do.	21,000	58.90
Wilson & Co., Inc.: Albert Lea, Minn.	21,000	58.82
Do.	21,000	58.87
Cedar Rapids, Iowa.	21,000	58.82
Do.	21,000	58.87
Do.	21,000	58.97
Omaha, Nebr.	84,000	58.82
Do.	63,000	58.87
Do.	42,000	58.97
Kansas City, Kans.	21,000	58.82
Oklahoma City, Okla.	21,000	58.82
Do.	42,000	58.87
Do.	42,000	58.97
Union Packing Co.: Los Angeles, Calif.	63,000	58.84
Do.	105,000	58.94
Western Packing Co., Seattle, Wash.	21,000	58.87
Hark Beef Co., Inc.: Somerville, Mass.	84,000	58.88
Do.	63,000	58.99
Milwaukee Dressed Beef Co., Milwaukee, Wis.	63,000	58.89
Salem Packing Co.: Los Angeles, Calif.	126,000	58.89
Do.	126,000	58.94
Plute Packing Co.: Bakersfield, Calif.	105,000	58.91
Do.	105,000	58.97
Hersam Mea. & Provision Co., Inc., Madison, Wis.	21,000	58.95
Hygrade Food Products Corp.: Spokane, Wash.	42,000	58.95
Storm Lake, Iowa.	21,000	58.95

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
Illinois Packing Co., Chicago, Ill.	420,000	58.95
Durham Meat Co., Mountain View, Calif.	105,000	1 58.95375
Jefferson Packing Co.: Hoboken, N.J.	126,000	58.96
Do.	126,000	58.99
Acme Meat Co., Inc., Los Angeles, Calif.	420,000	58.97
Gold-Pak Meat Co., Inc., Los Angeles, Calif.	420,000	58.97
Shamrock Meat Co., Los Angeles, Calif.	21,000	59.00
Excel Packing Co., Wichita, Kans.	126,000	59.00
Kansas Packing Co., Wichita, Kans.	126,000	59.00

CANNED BEEF

North American Packing Corp.: Boston, Mass.	317,550	67.49
Do.	317,550	67.98
Do.	317,550	68.32
Do.	317,550	68.42
John Morrell & Co.: Memphis, Tenn.	63,510	68.19
Do.	63,510	68.49
Ottumwa, Iowa.	63,510	68.29
Do.	127,020	68.49
Granite State Canning Corp., Manchester, N.H.	254,040	68.46
Hygrade Food Products Corp.: Indianapolis, Ind.	190,530	68.47
Do.	190,530	68.77
Tacoma, Wash.	127,020	68.47
Orangeburg, S.C.	127,020	68.47
Do.	63,510	68.77
The Ellis Canning Co., Denver, Colo.	127,020	68.48
Oscar Mayer & Co., Inc., Madison, Wis.	63,510	68.48
Rocking K Foods, Inc., Los Angeles, Calif.	190,530	68.74

¹ Reflects discount for 10-day payment.

Mr. HUMPHREY. Mr. President, Secretary Freeman announced signing of another food-for-peace agreement July 21, 1964. This time it was between the Governments of the United States and the United Arab Republic to provide for the sale of \$11.7 million worth of U.S. beef for Egyptian pounds. I ask unanimous consent that the press release announcing this agreement be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

**USDA ANNOUNCES FOOD-FOR-PEACE SALE OF
\$11.7 MILLION WORTH OF U.S. BEEF TO
UNITED ARAB REPUBLIC**

Secretary of Agriculture Orville L. Freeman today announced signing of a food-for-peace agreement between the Governments of the United States and the United Arab Republic (Egypt) to provide for sale of \$11.7 million worth of U.S. beef for Egyptian pounds. (Value includes certain ocean transportation costs.)

The new program amends the title I, Public Law 480 agreement of October 8, 1962.

The beef—about 26.5 million pounds—included in the amendment announced today is expected to help Egypt meet growing consumer demand.

This beef sale to Egypt is the third in a recent series of Public Law 480 agreements, providing for shipments of U.S. beef which total 38.7 million pounds. The Department announced on June 30 a dollar-credit agreement providing for sale of 6.6 million pounds of beef to Chile under title IV, and on July 6 an agreement providing for a 6.6 million pound sale to Israel under title I.

Sales of beef to Egypt under this agreement will be by private U.S. traders. Purchase authorizations will be announced later.

The agreement provides that 85 percent of the Egyptian pounds received in payment will be made available for loans to finance economic development projects in the United Arab Republic.

Five percent of the proceeds will be made available for loans to United States and United Arab Republic private enterprise. These loans will be made by the Agency for International Development (AID), U.S. Department of State, Washington, D.C. The remaining 10 percent will be set aside for U.S. Government uses.

In addition to increased Public Law 480 sales of beef, the Department has taken several other steps recently to help utilize plentiful beef supplies. In the past few months, import-limiting agreements have been signed, industry-Government domestic beef promotion programs have been started, an export development program has been launched, and USDA beef purchases have been increased.

(Further information may be obtained from the Program Operations Division, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250. Phone DUDley 8-6211 or DUDley 8-5433. Please refer to press release USDA 2417-64).

Mr. HUMPHREY. Mr. President, on July 23, last Thursday, the Department of Agriculture bought 6,634,890 pounds of USDA Choice grade frozen and canned beef, and invited further offers this week. Furthermore, it amended the current purchase program to permit the use of USDA Cutter or higher grade product in the preparation of canned beef in natural juices. The Department's purchases last week of beef for distribution to schools, institutions, and needy families brought total beef purchases since buying began March 2 to 146,800,000 pounds at a cost of \$84,200,000. I ask unanimous consent, Mr. President, that the press release announcing these purchases be printed at this point in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

**USDA BUYS 6.6 MILLION POUNDS OF BEEF—
CHANGES PRODUCT REQUIREMENTS FOR
CANNED BEEF**

The U.S. Department of Agriculture today bought 6,634,890 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families, and amended the current purchase program to permit the use of USDA cutter or higher grade product in the preparation of canned beef in natural juices. The amendment becomes effective with next week's offers.

USDA said the change follows the general recommendations of the National Advisory Committee on Cattle. The committee, when it met last May, recommended that the USDA beef purchase program be kept flexible in order to meet changing supply-price conditions in the cattle industry. Purchases of USDA Choice grade frozen beef will continue, while the change in canned beef purchases will provide price assistance to the lower grades of beef, at a time when cow marketings are increasing seasonally.

USDA's Agricultural Marketing Service today paid 58.98 to 60.50 cents per pound for 198 cars of frozen beef. Offers were accepted from 18 of 21 bidders who offered a total of 5,313,000 pounds. Top price bid was 62.98 cents per pound. Today's awards are due for delivery during the period August 10 through September 5.

Prices paid for 39 cars of canned beef ranged from 68.98 to 69.49 cents per pound.

Offers were accepted from six of nine bidders who offered a total of 4,001,130 pounds. Top price bid was 70.95 cents per pound. Today's awards are due for delivery during the period August 17 through September 12.

Funds for the purchases are provided under section 32, Public Law 320. All products acquired under this program are prepared from animals slaughtered and processed within the United States.

Offers for USDA Choice grade frozen beef are invited against next week, and are due by 1 p.m. (e.d.t.) Tuesday, July 28. USDA will make acceptance by midnight Friday, July 31. Next week's awards will be due for delivery during the weeks beginning August 17, 24, and 31, and September 7.

Offers for canned beef (under Invitation for Offers No. 13) are due by noon (e.d.t.) Tuesday, July 28. USDA will make acceptances by midnight Friday, July 31. Next week's awards will be due for delivery during the weeks beginning August 24 and 31, and September 7 and 14.

This week's purchases included 4,158,000 pounds of Choice grade frozen ground beef and boneless roasts for distribution to schools and institutions, and 2,476,890 pounds of Choice grade canned beef for distribution to needy families. Total beef purchases since buying began March 2 amount to 146,800,000 pounds at a cost of \$84,200,000.

Inquiries regarding the program should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C.

Details of today's awards follow:

FROZEN BEEF

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
Star Meat Co., Inc.: Wichita, Kans.....	210,000	58.98
Do.....	210,000	59.48
Do.....	210,000	59.98
Do.....	210,000	60.48
L. B. Darling Co., Inc.: Worcester, Mass.....	21,000	59.44
Do.....	21,000	59.84
John Minder & Son, Inc., New- ark, N.J.....	210,000	59.45125
The Cudahy Packing Co.: Seattle, Wash.....	42,000	59.74
Do.....	42,000	59.90
Armour & Co.: St. Joseph, Mo.....	42,000	59.84
Do.....	42,000	59.95
Nampa, Idaho.....	21,000	59.86
Do.....	21,000	60.29
Omaha, Nebr.....	210,000	59.91
Do.....	210,000	59.95
St. Paul, Minn.....	63,000	59.92
Kansas City, Kans.....	147,000	59.93
Peoria, Ill.....	42,000	59.94
Spokane, Wash.....	21,000	59.95
Portland, Oreg.....	21,000	59.95
Western Packing Co.: Seattle, Wash.....	42,000	59.87
Do.....	21,000	60.21
Do.....	21,000	60.32
Union Packing Co.: Los Angeles, Calif.....	105,000	59.89
Do.....	63,000	59.94
Wilson & Co., Inc.: Albert Lea, Minn.....	42,000	59.89
Cedar Rapids, Iowa.....	42,000	59.89
Do.....	21,000	59.93
Omaha, Nebr.....	63,000	59.89
Do.....	84,000	59.93
Do.....	42,000	60.23
Do.....	105,000	60.43
Kansas City, Kans.....	21,000	59.89
Do.....	21,000	59.93
Do.....	21,000	60.43
Oklahoma City, Okla.....	42,000	59.89
Do.....	84,000	59.93
Do.....	42,000	60.43
Hark Beef Co., Inc.: Somerville, Mass.....	126,000	59.89
Do.....	21,000	60.00
Hygrade Food Products Corp., Storm Lake, Iowa.....	21,000	59.92
Salem Packing Co., Los Angeles, Calif.....	168,000	59.95
Gold-Pak Meat Co., Los An- geles, Calif.....	168,000	59.97
Swift & Co., San Francisco, Calif.....	42,000	59.99

Company and f.o.b. point	Quantity (pounds)	F.o.b. price (cents per pound)
Somerville Dressed Meat Co.: Boston, Mass.....	84,000	59.99
Do.....	42,000	60.45
Durham Meat Co., Mountain View, Calif.....	42,000	59.99850
Aeme Meat Co., Inc., Los Angeles, Calif.....	105,000	60.00
Liebmann Packing Co., Green Bay, Wis.....	21,000	60.00
Illinois Packing Co.: Chicago, Ill.....	210,000	60.00
Do.....	210,000	60.50

CANNED BEEF

John Morrell & Co.: Ottumwa, Iowa.....	63,510	68.98
Do.....	63,510	69.22
Do.....	63,510	69.49
Memphis, Tenn.....	63,510	69.22
Do.....	127,020	69.49
Trenton Foods, Inc.: Trenton, Mo.....	508,080	69.09
Do.....	508,080	69.19
Bryan Bros. Packing Co., West Point, Miss.....	63,510	69.19
North American Packing Corp.: Boston, Mass.....	317,550	69.22
Do.....	317,550	69.48
Silver Skillet Food Products Co., Skokie, Ill.....	190,530	69.22
Rocking K Foods, Inc., Los Angeles, Calif.....	190,530	69.44

¹ Reflects discount for 10-day payment.

Mr. HUMPHREY. Mr. President, I have made the above material a part of the RECORD to show what this administration is doing for our livestock industry. As a result of this action prices have been strengthened and the total effect on our economy has been good. I am confident that continued action on the part of our Government will be of further help to our Nation's cattlemen.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. May I have 2 minutes on the bill?

The PRESIDING OFFICER. The time has expired. There is 1 minute left on the other side on the bill.

Mr. MANSFIELD. Mr. President, will the Senator from Nebraska yield to me the 1 minute?

Mr. HRUSKA. I yield the minute to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I hope that the Senate will not agree to the motion of the Senator from New York to recommit the bill. While I preferred the amendment which I offered originally in the form of a bill, nevertheless, I think something must be done, and I would express the hope that the Senate would see fit to uphold the position of the distinguished Senator from Nebraska and vote down the motion to recommit, because I believe a question of principle is involved, upon which we must make a decision; and I believe the cattle industry needs this help.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HRUSKA. Have the yeas and nays been ordered on the motion to recommit?

The PRESIDING OFFICER. The yeas and nays have been ordered. The

question is on agreeing to the motion to recommit.

Mr. JAVITS. Mr. President, I yield myself 30 seconds. I wish the RECORD to show that I am joined in the motion to recommit—

The PRESIDING OFFICER. If the Senator from New York has a parliamentary inquiry, will he state it?

Mr. JAVITS. I said that I yielded myself 30 seconds.

The PRESIDING OFFICER. No time is left on either side.

Mr. JAVITS. I understood that I had 1 minute.

The PRESIDING OFFICER. That minute was yielded by the Senator from Nebraska [Mr. HRUSKA] to the majority leader.

Mr. JAVITS. Mr. President, will the Senator yield me 30 seconds?

Mr. HRUSKA. I am happy to do so, on the bill.

Mr. JAVITS. Mr. President, I wish the RECORD to show that I have made the motion to recommit on behalf of myself, my colleague from New York [Mr. KEATING], and the Senator from Illinois [Mr. DOUGLAS].

I ask unanimous consent to include various documents and exhibits in the RECORD as a part of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEAGUE OF WOMEN VOTERS
OF NEW YORK STATE,
New York, N.Y., July 20, 1964.

Hon. JACOB K. JAVITS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: I write to urge your opposition to the amendment to H.R. 1839 that would place quotas on beef and other meat imports.

Members in our 80 leagues throughout New York State believe that expanded trade best serves the economic and political interests of this country and that it benefits citizens individually and collectively.

We are therefore concerned at the prospect of further restricting beef and meat imported largely from Australia, New Zealand, Ireland, and Mexico, and already under voluntary reduced quotas.

We oppose quotas as frequently constituting more of an impediment to trade than a higher tariff, and more of an irritant to our trading partners. We think that it would be particularly unfortunate to legislate tighter controls at the very time that we hope for successful negotiations under the Kennedy round of tariff negotiations now going on under GATT. We believe that the outcome of these negotiations is of critical importance to our own economy and to the political cohesiveness of the nations of the free world.

For these reasons we hope that you will oppose further controls on meat imports.

Sincerely,

Mrs. KENNETH W. GREENAWALT,
President.

THE PORT OF NEW YORK AUTHORITY,
New York, N.Y., July 16, 1964.

Hon. JACOB K. JAVITS,
The Senate,
Washington, D.C.

DEAR JACK: We understand that H.R. 1839, as amended (amendment No. 1085) by the Senate Committee on Finance, is to be brought up for consideration and debate sometime after the Senate reconvenes on July 20. Last March, your office opposed the Hruska amendment to H.R. 6196, which would have drastically reduced the tonnage

of imported meat. We hope that we may count on your opposition to amendment No. 1085, which was substituted in the committee for the Mansfield amendment No. 465 and which would limit even more the amount of meat which could be imported.

We are, however, even more deeply troubled by a further provision in the Curtis amendment, paragraph (f), "Ports of Entry," which would authorize the President to limit import tonnage of meat by port. The mere consideration of proposed legislation to this effect could establish a most dangerous precedent for all ports. We urge that you oppose the amendment giving specific emphasis to this paragraph in your opposition. I shudder to think of the consequences which could result in this port's trade in commodities of all kinds, if this type of legislation became common. We must conclude that passage of this section, relating to meat imports, would result in very heavy pressure to transfer away from the port of New York some part of the 40 percent of this trade we have enjoyed in past years. What's more, it would seem to be patently unconstitutional.

I trust we may count on your support in this serious matter.

Sincerely,

AUSTIN J. TOBIN,
Executive Director.

STATEMENT OF LYLE KING, DIRECTOR OF
MARINE TERMINALS, THE PORT OF NEW
YORK AUTHORITY

Mr. KING. Mr. Chairman, on behalf of the American Association of Port Authorities and the Port of New York Authority, I wish to thank you and the members of the committee for this opportunity to appear before you in opposition to amendment No. 465 to H.R. 1839, the proposal to limit the total quantities of beef, veal, and mutton (except canned, cured, and cooked meat, and live animals) which may be imported into the United States in any future year.

The American Association of Port Authorities includes in its membership all of the major ports of the United States. The executive committee of that association has authorized me to represent them at this hearing. The public investment in these ports collectively represents a current cash value exceeding \$3 billion.

The Port of New York Authority is a bi-state agency created by the States of New York and New Jersey, by compact between them. It is charged by the States with the duty to protect and promote the trade and commerce in and through the New Jersey-New York port district.

We are aware that many witnesses have presented or will present various arguments in opposition to this amendment, including, but not limited to, arguments based on the uses to which the meat is put, its effect on prices of processed meat products and its effect on the cold storage industry. It is my purpose, on behalf of the two organizations I represent here, to point out to you a facet of this problem which might not otherwise be called to your attention. As indicated below, the port industry and its activities in a port area are a major factor in the economy of the area. This amendment, if adopted, would significantly impair the economy of port communities in the United States and especially that of the New York port district which includes Metropolitan New York and northern New Jersey.

As a result of our studies on the subject we estimate that one out of every four persons residing in our port district derives his or her financial support either directly or indirectly from the port's commerce. This figure can be viewed as generally representative of the situation in other major port cities in the United States. The income supporting this segment of the population of a port area is earned by persons engaged in

many kinds of occupations including long-shoremen, checkers, clerks, carloaders, truckers, watchmen, tugboat operators and crews, customs and other Government personnel, bankers, freight forwarders, merchants who supply vessels with provisions, ship repairmen, and many others.

Imported meat is one of the most important volume commodities contributing to the financial welfare of port communities. It is responsible for thousands of jobs both in the ports and around them. In the year 1963, U.S. ports handled an estimated 441,425 long tons of imported meat of the type that would be directly affected by the quota established by this bill. The port of New York alone handled 185,000 tons in that year. The proposed amendment would result in a reduction of about 144,000 tons per year from the 1963 overall tonnage level, or about a 30-percent decrease. When applied proportionately to the port of New York, it threatens a loss of about 62,000 tons per year. With one out of every four persons in port communities depending upon the waterfront activity for his livelihood, it is perfectly obvious that the loss of jobs in U.S. ports which would result from any such import limitation would be a severe blow to the ports. The port of New York alone would suffer the direct loss of all the jobs dependent on the 62,000 tons per year which it would lose, and the consequent curtailment in the income derived directly or indirectly from this tonnage.

In summary, therefore, the ports of the United States including the port of New York feel very strongly that any curtailment in the quantity of imported meat such as is proposed in amendment No. 465 to H.R. 1839 would clearly result in a loss of ship calls at U.S. ports and a serious loss of jobs and income to workers and their families in all major port communities. Therefore, the American Association of Port Authorities and the Port of New York Authority urge the committee to reject amendment No. 465 and any similar proposal to restrict or limit meat importation. May I again express my sincere thanks for the opportunity to appear before you.

The CHAIRMAN. Thank you for coming Mr. King.

STATEMENT OF THE NATIONAL GRANGE BEFORE
THE U.S. TARIFF COMMISSION, ON BEEF AND
BEEF IMPORTS, BY HARRY L. GRAHAM, LEG-
ISLATIVE ASSISTANT TO THE NATIONAL MAS-
TER, APRIL 28, 1964

I am Harry L. Graham, legislative assistant to the master of the National Grange.

The National Grange welcomes the opportunity to testify in this series of hearings concerning the current beef price situation in the United States and the factors which are causing the decline in prices paid to the producers.

The sharp drop in prices paid to producers during the past year, both for feeders and fed steers is a matter of great concern to us because the situation has widespread ramifications into widely dispersed areas of our national life as well as a tragic effect upon the producers who depend upon cattle for their livelihood.

There is no disputing the fact that cattle-men's income has been severely depressed, that many have been forced into bankruptcy, that many more are living on meager accumulated reserves or by increasing their indebtedness. The national welfare can ill afford the drop in purchasing power of the American farmers from this situation.

There is also, in our judgment, no question about the fact that the dramatic increase in the importation of fresh and frozen beef has had a depressing effect on the beef market. This condition developed at a most unfortunate time when the American producer had

also substantially increased his production due to a number of economic factors which I should like to list briefly in this testimony.

The National Grange is pleased to note that the resolution from the Senate Finance Committee which instigated this hearing refers to section 1332 of title 19, which gives the Commission the broad powers which it needs to determine the effects of imports on U.S. prices but to also consider and evaluate all other pertinent and related information which will bear directly on the current situation.

The National Grange opposed, in the national interest, the Hruska amendment to the cotton-wheat bill in the Senate and the Mansfield resolution before the Senate Finance Committee. They pointed out that these suggestions only attacked one part of the problem and that the extent to which beef imports contributed to the present situation was not known and could not be known until a full hearing was held before the proper committee or commission.

We do not want to either whitewash this problem, or to bury it, but rather to have a factual and objective analysis of the effect on prices, not only of imports, but also of many other factors.

We do not profess to know the answers to all of these problems. We do propose that this Commission concern itself with finding the answers and providing to the rest of us a factual report on which we can base our decisions concerning appropriate actions which the situation may demand.

We suggest that even after these hearings are concluded, that the staff of the Commission concern itself with the effect that all of the related problems have on the control issue of domestic beef prices.

Government economists, including those of our agricultural colleges, as well as private economists had issued warnings repeatedly, during the past year, to beef producers that the point of diminishing returns had been reached and that further increases in the number of cattle on the ranges and of cattle offered for slaughter, would have a depressing effect on prices.

Despite these warnings the number of cattle and calves on farms and ranches on July 1, 1964, was 106.5 million head, 3 percent higher than the 103¼ million head on hand in January 1963. This is the sixth consecutive year showing an increase and a record high number of cattle and calves. Therefore, we must examine the root causes of the market situation which confronts the American cattle breeder at the present time. Before we pass hasty legislation by which we destroy our claim to markets far more valuable than that which we have lost, we should make certain that our domestic house is in order and that we not continue to pursue policies which will create the situation where the supply is far in excess of the market demands, such as we have at the present time.

The National Grange would point out that although it does not believe in complete Government regulation of markets, it also does not believe that we can place blind total adherence in the so-called self-regulating features of the market. It has long been apparent to serious students of this problem that the adjustment in prices due to overproduction is not in direct relationship to the amount of overproduction. Not only does the market fail to respond upward when there is an undersupply, but in the case of oversupply, the price reduction is far in excess of the amount of oversupply. This is true in almost every agricultural commodity; and beef is no exception. We therefore see a 30-percent increase in production cause a 30-percent break in the market.

Despite this historical fact and the experience that we have had previously, and most dramatically, at the close of World War II, again at the time that beef prices dropped

rapidly and feeders were caught off base at the close of the Korean war, and now in these recent months, we have so-called farm leaders and leaders of farm groups who still have no solution to the problems of agriculture except continued and exclusive dependence upon the so-called market system.

The major item which they refused to recognize is the fact that several agricultural products can be produced in many areas and countries of the world cheaper than we can produce them in America. Our technological advances have been astounding; but we should remember that many of them are the result of economic pressures that have come because of increased costs in production, arising out of American living, wages, and profit levels outside agriculture. They have not completely offset the advantages of low capitalization and cheap labor in many agricultural producing areas of the world.

One of the amazing inconsistencies which I heard in the U.S. Senate during the debate on the cotton and wheat bill was the opposition to this legislation because of its two-price structure and at the same time pointing out that the marginal costs of imported meat determined the price of meat to a large extent. It obviously is true that the meat that is offered for sale of a similar quality, at a lower cost, has a greatly depressing influence on the price of all the product.

The current overproduction of beef is largely a result of the policies of trying to depress the price of feed grains. The concerted attempt that has been made to reduce Government supports on wheat to the level of feed grains in no small way made a definite contribution to this present situation.

The end result is that we have brought the feed price ratio in the past few years into a relationship that made it highly profitable to continue to produce large quantities of beef. We have been engaged in a desperate race against time to prevent this from happening to a far greater extent than it has in the past and which would be the inevitable result of the failure to pass wheat legislation at this session of Congress. This issue could have been decided a year ago, but it was partly due to the strenuous opposition of the cattlemen and feeder groups that the wheat referendum was lost. The opposition to the feed grains programs has been largely from the same organized group that is today expressing such great dissatisfaction with the situation in which they find themselves. Until these groups get enough economic sophistication to understand that cheap feed means overproduction of meat, including poultry, pork and beef, as well as dairy products because of the fact that the inefficient operator can profitably produce in such a situation, no legislative effort is going to be successful in controlling the market for beef products that will insure a profit for the feeder.

The 3-percent downward adjustment in the number of dairy cows during the past year was largely the result of the economic factors which made feeding cheap grain to beef cattle more lucrative than feeding it to dairy cattle and doing the hard work which was involved in producing milk and dairy products. This is dramatically shown by the fact that the largest reduction in dairy cow population is in the areas where there was the largest increase in the feeder cattle population. The net result is that in both the dairy industry and the beef industry, production has reached a point of diminishing returns and a period of extremely difficult readjustments is ahead.

If we think the last year's situation in the beef industry has been serious, then we had better say our prayers that there is not an extreme drought in the grazing areas this summer or the marketing of cows will be in such quantities that the present market will look highly profitable before another year is over.

Not only are there more cattle, but due to the cheap feed available, as well as hoping for better prices, feeders have been holding their cattle to heavier weights before selling. Packers have for several years been informing feeders of changing consumer preferences, and economists were almost unanimous in warning that the increased numbers should be slaughtered at lighter weights to prevent flooding the market. However, the average live weight of marketed cattle has increased from 932 to 1,020 pounds in 10 years.

The newspapers have also pointed out a couple of other factors of considerable importance that are involved in this current overproduction. One of these is the present tax laws that give some capital gains advantages to the producer whose reserves and the majority of his income comes from other sources besides the feeding of cattle. Again we would point out that the resistance to these changes that has come from the cattle industry has made it impossible to get the kind of legislation which would clarify this issue and which would have by itself had a moderating effect on the price decline in both beef and in the dairy industry. No one likes to give up a tax advantage, but again we must reach a point of economic maturity when we recognize that there are long-term advantages to giving up a short term profit. In this area, the farmer producer who operates his own farm is at a distinct disadvantage in competition with the producer who brings extensive capital reserves acquired from other activities into the production field. This, plus cheap feed, has increased the number of marginal producers who are a direct threat to established producers.

The major problem which is now facing the beef industry, which long ago faced the poultry industry is the one of vertical integration. The National Grange has hoisted a warning signal for a number of years against the continued integration of production and marketing facilities, especially when both are controlled by those whose primary interest is in the wholesale and retail market. Within this decade we have seen poultry production change from owner-operator-manager type of production to one in which the farmer simply becomes a hired man on his own farm. When you add to the fact that the farmer is working largely for someone else the other factors that include the ability of large food chains to purchase in such quantities that they can force a reduction in prices, that they can withhold purchases until they create distress conditions and thereby buy at distress prices in one area and force prices down in other areas, then you have the makings of an extremely serious situation in agricultural production. The wires and letters that are coming across the National Grange desks almost daily now indicate that poultry producers have finally become aware of the extremely grave situation in which they find themselves as a result of policies that should have been corrected several years ago. The present depressed prices on dressed broilers invariably has had a depressing influence on beef prices.

Newspaper reports of the beef factories that are operated by some food chains at the present time, some of which I have seen in our Western States, indicate that we must proceed to find a legislative or administrative answer to this problem of monopolistic influences of the markets. By definition, a monopoly exists when any group or single producer can by his own acts significantly influence the market. This point seems to have been reached both in poultry and in beef.

The importation of 1,272,000 cattle, mostly feeders, from Canada and Mexico last year, to add to our domestic supply certainly was not calculated to improve the economic position of our feeder calf producers.

What we are saying is that we believe there are internal factors which must be carefully evaluated. We have mentioned the most serious ones except one, and that is the reluctance of the producers to adjust supply to demand. It seems to us a bit unrealistic to believe that the prohibition of the importation of 1,679 million pounds of beef and veal and the manufactured products therefrom, even if all was prohibited, could offset the effect of offering to the markets substantially larger amounts of domestic beef, and the depressing effect on the market of the buyer's knowledge that there are about 10 million head of excess cattle on our ranges and in our feed lots which must sometime move into our markets.

Turning now to the problem of imports, we are not among those who believe that this treaty agreement between the United States, Australia, New Zealand and Ireland was not in the best interests of American cattle producers. It seems to be expecting too much to think that our negotiators could stop the runaway increase in the amount of imports and roll them back all at the same time. The stopping of the increase in itself was a substantial achievement. Furthermore, it was not the final word. It did, however, give us breathing time and negotiating time to try to further improve the situation. Of greatest importance is the fact that it allows us to proceed in the Kennedy round coming up in the General Agreement of Tariffs and Trade to try to maintain the markets for American agricultural products which have been developed during the past few years and to do so on an honorable basis.

It was with great difficulty that we persuaded our European friends and the rest of the members of the General Agreement on Tariffs and Trade to include agricultural products in the current trade negotiations. Our European friends objected to this because they considered the problems of agricultural trade to be sociological rather than political or economic. Nevertheless, we were able to get these items included in the agenda and the negotiations are currently in the exploratory stage.

This negotiating team is headed by the distinguished former Governor of Massachusetts and former Secretary of State, the Honorable Christian Herter, ably assisted by Mr. Irvin Hedges. They have given us their solemn assurances that they are prepared to do the hardest kind of bargaining on this subject. We are sure that this is true, not only by the reports that come to us concerning the negotiations and the provisions that the U.S. Government has announced as the basis for setting up the negotiations, but we are also assured that they are doing this by the fact that our European friends are in regular communication with us trying to get us to modify the demands of our Government.

The very basis of our negotiating proposals is that American farmers would be entitled to "acceptable conditions of access to world markets." The total amount of trade involved is about \$5 billion. This is the largest single segment of American export trade. For the present proposed legislation to be adopted would be penny wise and pound foolish. Not only does this trade include twice as much meat products as that which we are importing, but it includes great quantities of wheat and feed grains, the very items which are produced by many of the people who are also feeding cattle.

We should remember that the countries from which we import beef are also members of the GATT and imposition of tariff duties or the passage of quota legislation will cast a grave doubt upon the integrity of American agreements. The Australian Ambassador, Sir Howard Beale, in Rochester, N.Y., in early March, in commenting on the Mansfield amendment, said, "If this bill be-

comes law, it will mean that a solemn agreement entered into between two governments in good faith will be nullified.

"The Australian Government and people will find it very hard to understand. After all, this is exactly the same complaint that you are at present directing against the European Common Market countries. Surely, what is sauce for the goose is sauce for the gander.

It should be self-evident that if the United States starts moving in this direction of import quotas we will have no moral basis on which the register our objection to binding the margin of domestic supports at a high level and protecting them by import quotas, variable levies, etc., that the Common Market is proposing to use against American agricultural products. In the resulting trade wars in which each country retreats behind its own economic barriers, American agriculture and the American economy has a great deal more to lose than it has to gain. It should be of interest that this is precisely the way trade wars begin which have in the past ended up as shooting wars. The further tragic implication of this is that it involves not our enemies but our friends.

We dislike sharing a lucrative market in America with other people, just the same as anyone else does. But we have an equally great dislike of losing a far more profitable market for our products than the one which we are allegedly losing under the present treaty agreement with the Commonwealth of Australia, New Zealand and Ireland.

In considering the international aspects of this problem, we suggest that the Commission give some attention to how this situation evolved. It began when the United Kingdom increased her support level to domestic producers of beef and canceled her preferential acceptance of Commonwealth exports.

The sudden almost complete closing of one long established market left Ireland, New Zealand and Australia without either a market or income. The sudden shift also dislocated the European market and depressed their prices.

Since both of these countries operate under a free enterprise system, the exporters turned to the American market and the level of their exports to us accelerated the pace of the U.S. market adjustment which was inevitable.

From this you can see that the successful conclusion of the negotiations in Geneva, which would provide market access to European markets, including the United Kingdom, for American farmers, but would also re-open the traditional markets for Australia and New Zealand.

In fact, there has already been a substantial decline in American imports, not because Australia wants to relieve our distress, but because the European market has improved until it is again more profitable to ship there instead of here.

One factor which should be mentioned is the failure of American producers to supply the market needs for cheap cuts of meat. The decline in the number of cattle and canner cows and the almost complete disappearance of bologna bulls has created a vacuum which should be filled and can be filled only by imports. The national welfare requires this prudent provision. Otherwise we simply price hamburger, canned and stuffed meats off the market. Hamburger now costs more than boneless chuck steak and good hot dogs are three times as expensive as frying chickens and much higher than pork products. American feeders must produce for this market or be prepared to see it absorbed by imports.

However, the National Grange is concerned by the amount of primal cuts which were entering this country and we are urging the strict enforcement of the present agreement

concerning this problem. This should be a concern of the Commission and evidenced as to the level of these primal cut imports should be a part of the consideration given to the total problem.

We are not opposed to quotas or tariffs as such, provided they are properly arrived at with due recognition to our treaty obligations. If the findings of this Commission are such as to indicate the desirability of such action, we are prepared to support such action.

We do prefer, however, and we have so urged our Government that they continually restudy this situation, believing that there is presently sufficient evidence to lead them to renegotiate the present agreement. We believe the present base period is too short and that it represents an unrealistic import level even for our importing friends.

The executive committee of the National Grange, during its April meeting, issued the following statement:

"The committee discussed the critical price and income problems of livestock producers and the disastrous impact of these losses upon the economy of livestock areas across the Nation.

"While the committee recognized that the trade agreements will cut back and limit the volume of beef imports and are steps in the right direction, real concern about the volume of imports permitted calls for the use of a base period covering a longer period of time. The committee recommended that the agreements be renegotiated at the earliest possible time."

The committee also called for—

"1. a prompt and complete investigation of practices within the food industry that may be adversely affecting markets and prices for livestock;

"2. vigorous enforcement of the meat import agreements;

"3. information which will show the quantity of primal cuts coming into the U.S.;

"4. expansion of the beef purchase program."

The National Grange deeply appreciates the opportunity of testifying before the Commission. We thoroughly approve of your approach and of the action of the Senate Finance Committee in referring this problem to you. The development of factual information is a prerequisite to mature judgment. We feel that this problem is in good hands and have confidence that your recommendations will reflect the time proven integrity and ability of this Commission and its staff.

TESTIMONY OF JOHN Q. ADAMS, PRESIDENT, THE MANHATTAN REFRIGERATION CO., NEW YORK CITY, CHAIRMAN, BOARD OF DIRECTORS, COORDINATING COMMITTEE OF THE FOOD INDUSTRIES, BEFORE THE U.S. TARIFF COMMISSION ON BEEF AND BEEF IMPORTS

I am sorry, Mr. Chairman, that I do not have copies but I will have them furnished to the secretary.

Mr. Chairman, gentlemen, members of the Tariff Commission, my name is John Q. Adams. My place of business is the Manhattan Refrigerating Co. of New York City, Union Terminal Cold Storage Co. of Jersey City, with executive offices at 525 West Street, New York City.

I am president of these companies and also chairman of the board of directors of the coordinating committee of the Food Industries, representing 55 food trade associations in the New York metropolitan area.

The coordinating committee was organized during the difficult days of OPA (War Food Administration) in World War II for the purpose of assisting both the above mentioned Government agencies and the food industry to work out adequate and practical rules and regulations for carrying on the war effort.

Since those years, and because of the success that was achieved in meeting these objectives, the coordinating committee has interested itself in all matters of public policy that affected the food industry and Government bodies such as Food and Drug Administration, U.S. Department of Labor Matters, U.S. Department of Commerce, U.S. Department of Agriculture, as well as State and municipal departments that had jurisdiction over the food industry.

The directors of the coordinating committee deemed that the threatened attempts at restriction over meat imports would have a harmful effect on the food industry, on U.S. Government tariff policy, on the consumer, as well as on elements of the food industry that would have immediate and dangerous repercussions such as the cutting off of available supply of meat for a large majority of the middle and low income consumer. We studied the U.S. Department of Agriculture livestock reports and it seems the meat imports from Australia, New Zealand, and Ireland were induced in large part by the recently increasing shortage in the domestic production of lean meats. The coordinating committee directors studied this matter and concluded that it would be unfair to the consumer and to a large element of the meat manufacturing, fabricating, and distribution industry if these threatened cutbacks in meat imports were not opposed, besides the harmful effect on the prestige of our country in the GATT Geneva negotiations which commenced this week. These are the reasons that the coordinating committee decided to become involved in this matter.

The livestock survey of November 1963, volume LMS 134, attached hereto, indicates clearly on its first page that the enormous increase in the production of choice cattle is resulting in a substantial corresponding decrease in price.

On page 38 of the same bulletin there is a chart which indicates clearly the heavy production of domestic cow meat in 1955-57 which took care of most of the heavy consumption demand. The amount of imports during these years was small. The chart indicates the rapid decline in the production of domestic cow meat in the years 1958 to 1964.

We all know there has been an increasing demand for that type of meat which is manufactured such as sausage, hamburger, Chef Boyardee, and so forth, and other cheaper meats for the low- and middle-income population. In order to satisfy the demand, the manufacturers, distributors, and suppliers of these kinds of meat were forced to import foreign cow meat in increasing quantities from 1958 to help make up the enormous shortage caused by the decrease in domestic cow meat. Actually the domestic cow meat, plus the imports of cow meat, mostly from Australia, New Zealand, and Ireland, never reached the total cow meat production of 1955 to 1957. Fortunately there were available sufficient cow meat imports to allow the American low- and middle-income consumers to continue to have meat in their daily diet. Otherwise they would have had to switch to substitutes like macaroni and potatoes.

Anyone interested can canvass the manufacturers of meat products and he can have the above statements verified firsthand.

Until cow meat production is raised sufficiently to meet the demand of the low- and middle-income American consumer, the meat imports from New Zealand, Ireland, and Australia must be continued.

It is also important to note that the largest receivers of domestic choice beef have been able to get high prices for fat because this item is necessary with the imported meat for manufacturing purposes. If it were not for this situation, great quantities of fat would be sold for almost nothing or would

be given to the renderers for just a few pennies per pound.

The enormous number of low- and middle-income people who are the bulk of our American population cannot afford to pay the high prices necessary for a fair return on the choice beef which is being produced in this country in such great quantities.

There have been many warnings issued by the Department of Agriculture and other interested agencies to the cattlemen to restrict production of the choice beef in keeping with the demand. There have been warnings to those cattlemen to increase their cow meat production. It seems from what we have read and heard that these warnings have been pretty much ignored. We have heard many statements by reliable sources that there has been an undue amount of speculation by prominent and wealthy people in buying and selling choice and fancy cattle and the losses by the speculators have been used for capital gains.

We regard the statements of Mr. De Graff, president of the American Meat Institute, as being sound and thoughtful and constructive and we firmly support them and commend them to the members of the Tariff Commission.

We have appeared before consumer groups in New York and New Jersey and other densely populated northeastern States as a representative of the National Consumer Groups. There is no question in our minds that these consumer groups are seriously concerned about the disastrous effect of any further reduction in the importation of meats from Australia, Ireland, and New Zealand on the low- and middle-income consumer until the domestic meat production has been adequately increased.

At the time of the debate in the Senate on the Hruska amendment, we submitted resolutions and affidavits from practically all of the large public, commercial, and food trade associations in the New York metropolitan area such as chambers of commerce, State and local boards of trade. We had resolutions and statements from all of the principal labor organizations such as the Central Trades and Labor Council of New York City and New Jersey; heads of the New Jersey AFL-CIO groups and the New York State AFL-CIO groups; Teamsters District Council of the City of New York and New Jersey; the New York City Butchers Unions, and others.

We also had affidavits from the leading municipal authorities in New York State, New York City, New Jersey and its city, and the city of New York as well as many church groups.

Incidentally, it was suprising how many Members of the Senate, as well as the House of Representatives, changed their minds to be in favor of continuing the imports once they were given the full facts on this issue from the consumer point of view, and particularly when they were shown the comprehensive and elucidating statements of the Department of Agriculture mentioned at the outset of this testimony.

We have every confidence that the Tariff Commission will oppose any reduction in foreign meat imports.

Thank you very much.

STATEMENT OF THE COMMITTEE FOR A NATIONAL TRADE POLICY, TO THE COMMITTEE ON FINANCE CONCERNING AMENDMENTS 465 AND 467 TO H.R. 1839, IN CONNECTION WITH IMPORTS OF BEEF AND BEEF PRODUCTS
(By John W. Hight, executive director)

The Committee for a National Trade Policy wishes to present testimony before the Senate Committee on Finance on the proposals to limit by law the imports of beef, veal, lamb, and mutton into the United States, as proposed in amendments 465 and 467 to H.R. 1839.

We are a business-supported organization concerned solely with the development of a trade expansion policy calculated to advance the interest of the Nation as a whole. We represent no special interest.

We believe that the United States should continue to move forthrightly in the direction of trade liberalization. As part of this movement, we believe that the United States should seek the earliest possible reduction or removal of foreign restrictions against U.S. exports as well as U.S. restrictions against imports.

In connection with this proposed legislation we urge upon the committee certain criteria and assumptions which we feel are warranted under both the spirit and the letter of the Trade Expansion Act of 1962, which is the cornerstone of U.S. foreign trade policy. This policy should have an important bearing on the deliberations of the committee.

The drive for import quotas has been initiated by the domestic cattleraising industry which seeks rigid controls on the importation of beef and beef products. Such quotas, should they be enacted by the Congress, after consideration by the Senate Finance Committee, directly contravene the broad thrust of the act of 1962 and can only result in a contraction of world trade rather than an expansion of such trade. The act declares that it is the policy of the United States to reduce trade barriers maintained by this country on a reciprocal basis with other free world countries to the end that trade within the free world may be expanded for the benefit of all.

Our assumptions, in the light of the national policy specifically declared in the Trade Expansion Act of 1962, are:

1. That no new restrictions will be placed upon imports of any product unless it can be demonstrated that serious injury has been caused in major part by tariff concessions and that alternative remedies are not likely to be effective.

2. That particular industries will proceed vigorously and imaginatively with efforts to make a successful adjustment to growing competition and increasing change from whatever quarter, domestic or foreign.

3. That the U.S. Government will concern itself with the correction of domestic policies found to impose unfair burdens on such industries—burdens which make their competitive position unfavorable in relation to the position of the same industry in other countries.

In the light of these assumptions, we have some comments to make on the present proposed legislation. We do not profess to be experts in the cattle and beef industry. Nevertheless, we believe certain facts have been demonstrated in the course of the testimony before the Tariff Commission on the economic situation of this industry:

1. The current depressed prices of fed cattle have been owing largely to conditions within the U.S. industry—the phase of the cattle cycle, the overproduction and overinventory of cattle, the overmarketing of steers and heifers to feedlots, the heavier weights at which cattle are marketed from feedlots, the retention of overage cows and bulls on ranches.

2. Imports have been mainly in the form of utility or cutter-and-canner beef—grass-fed beef which is sold for manufacturing purposes and not directly competitive with grain-fed beef. The evidence indicates that there has been a decline in recent years of marketings of domestic manufacturing beef and that the U.S. domestic requirements for this type of beef have been filled by imports.

3. The increased imports in the last several years, according to the Department of Agriculture, have had only a minor effect upon the price of fed beef.

4. Without the imports of manufacturing beef, that portion of the market which is

filled by luncheon meats, frankfurters, and hamburgers might have been lost to alternative nonbeef products and this could represent a permanent loss to the domestic beef industry.

5. In recent years the domestic beef industry has undergone a fundamental change. Cattle raising is no longer confined to grass ranges in the West but has spread to almost every State in the Union. Cattle raising is no longer an entirely commercial operation; for many entrepreneurs it has become an avocation or a tax-saving device. The result is that overproduction is endemic. In this situation the industry has difficulties which are peculiarly domestic and cannot be attributed to international trade.

6. A restriction in imports of manufacturing beef would be a palliative, not a cure. Any real relief for depressed prices must come over the course of time—as it has in previous cattle cycles—from a reduction in cattle population and a reduction in marketing weights of fed cattle. This will take time. Corrective action should be taken by the domestic industry to the fullest before any action is taken on import controls and even these should be circumscribed by the criteria of the Trade Expansion Act. Such action includes an early culling of herds and increased marketing of cows and bulls, both to reduce the production of calves and to increase the supply of domestic manufacturing beef. To a substantial extent such a process has already begun; while during the immediate forthcoming period it will probably not result in improved prices for fed beef, it must have the effect over the longer run of reduced supply and thus higher prices.

On the basis of 1964 figures, imports are likely to decline in the near future because of limitations of foreign capacity. This fits in directly with the immediate desirability of culling of herds of grass-fed beef.

If these facts and conclusions are correct, as we believe they are, we would urge the Finance Committee to point out clearly that the difficulties presently faced by the industry are due largely to miscalculations by the domestic industry and only to a small degree to the increase in imports.

Under these circumstances restrictions of imports could be no substantial factor in the improvement of the situation, and any improvement that might be achieved would be at a high price in terms of national trade policy and the national interest.

This brings us to the additional factors which any economic analysis of the beef industry should take into account. These factors deal with the matters of public policy in the United States, both domestic and foreign:

1. There is a serious degree of poverty in the United States despite the general economic affluence we have had for a number of years. The "war on poverty" is a primary objective of the administration and an immediate issue before the Congress. Beef is a major item in the American food budget, accounting for nearly 13 cents out of every food dollar, which represents more money than is spent for any other single food. Thus, any reduction in the supply of, or increase in the price of, manufacturing beef has a greater impact on consumer pocket-books than would be the case in any other food. This would hit directly at the low-income groups, and would measurably reduce their opportunities for well-balanced diets.

2. Under the Trade Extension Act of 1962 (as indicated earlier), the United States has declared it to be its policy to reduce its own tariffs and import restrictions on a reciprocal basis with other free world nations so that there can be a general expansion of world trade. Restrictions, outside the Trade Expansion Act, on imports of beef and beef products would run directly counter to this

adopted policy. In addition, the United States would be placed at a disadvantage in the forthcoming Kennedy round of GATT negotiations in Geneva. Our avowed faith in the reduction of trade restrictions could not help but be questioned.

We fear a tendency toward their proliferation as more and more industries bring pressure upon the Government for protection against imports. While we feel they are less undesirable than quotas fixed by legislation, both methods are a departure from a marketplace economy and a move in the direction of more restricted rather than more liberalized world trade. At the same time the "voluntary" method is less permanent and more readily eliminated. The Finance Committee might usefully assess the likely impact of these agreements on the time it will take for a more normal supply-demand pattern to appear.

Finally, there are certain factors in recent weeks which should be taken into account:

1. There has been some slight improvement in the prices of fed beef.

2. As Secretary Freeman has indicated, imports of beef and veal this year are now expected to be about the 1959-63 average level. This represents a considerable decline from the 1963 level. Clearly, our principal suppliers have less supply to offer the United States this year than last.

3. There has been a diversion of supply of unfed beef to the European market which is experiencing unprecedented high prices and shortages. Our foreign suppliers are exploiting this market.

4. There has been developed a cooperative drive between the cattle industry and the USDA for aggressive action to develop export markets, particularly in Europe. A determined effort to sell fed beef in Europe could create a long-term market which the United States has never had.

5. The USDA has expanded its meat purchase program in connection with its programs for feeding indigents in the United States and for school lunch. This action cannot help but aid in supporting the price of beef.

6. As Secretary Freeman stated: "Every section of this country has a significant stake in expanding agricultural exports. It is well to keep in mind that for most States exports of cotton, soybeans, and grain far exceed the value of beef imports which compete with beef production in that State. These examples serve to point up the fact that it is not in the interest of ranchers and farmers in the United States that we risk the export markets for our agricultural commodities by taking arbitrary action in connection with imports of beef into the United States. Expanding exports will add to farm income and will reduce the extent of overcapacity in U.S. agriculture. Further reducing beef imports, as shown earlier, will have a negligible effect on beef prices and on farm incomes."

Under these circumstances we feel strongly that the U.S. Congress should not take import quota action.

MEMORANDUM BY U.S. DEPARTMENT OF AGRICULTURE ON HOW AMERICAN AGRICULTURE EXPORTS AND THE KENNEDY ROUND IN GENERAL COULD BE AFFECTED BY RESTRICTIVE LEGISLATION ON MEAT IMPORTS

1. U.S. Agricultural Exports: U.S. exports of agricultural products during the fiscal year which ended June 30, amounted to about \$6 billion. About \$4.4 billion of these exports were for dollars. The commodities involved included wheat, feed grains, cotton, rice soybeans, dairy products, tobacco, animal fats, and many horticultural items. These products moved to a large number of markets, but the principal markets were the European Economic Community, which imports over \$1 billion worth of U.S. agricultural products annually—and the EFTA countries.

U.S. agricultural exports are extremely important in the United States economy. Fifteen percent of the total production of American farms goes to markets abroad. One out of every four acres of cropland in the United States today is producing for export, and of the 1.6 million commercial farmers who produce 90 percent of our total agricultural output, practically every one produces for the export market since some portion of his crop is likely to end up in international trade. This agricultural activity has meaning also for the industrial and business sections of the U.S. economy, which provide production machinery, transport to marketing centers, and the insurance and financial services connected with the movement of agricultural commodities abroad.

2. Likely penalties on agricultural exports for unilateral action on meat imports: The Mansfield bill provides for a reduction of imports to the level of the 1959-63 average. For beef and veal, this represents a reduction of 28.5 percent from the 1963 import level. The reduction would be attained through the imposition of import quotas by the United States. These quotas would be inconsistent with the provisions of the General Agreement on Tariffs and Trade, which outlaw quantitative restrictions on imports and would seriously affect the value of the tariff concessions negotiated by the United States with supplying countries under the GATT.

(a) Immediate retaliation: It is highly unlikely today that any exporter will accept unilateral action by the United States to restrict imports of agricultural commodities covered by trade agreement concessions. It is most likely that the exporters will respond by retaliation.

A case in point is the United States' action in the poultry war with the EEC, which is fresh in everyone's mind. In this case, the United States chose to reestablish the balance of concessions upset by the EEC restrictive action on poultry by the imposition of higher duties on a number of commodities equal in trade value to the poultry concessions impaired. This action was completely in accord with the provisions of the General Agreement on Tariffs and Trade. Should the United States further restrict its imports of beef, therefore, it may expect Australia and New Zealand, who in 1963 supplied imports in the value of \$228 million, to impose additional trade restrictions against U.S. exports to those countries in an equivalent amount. The products involved need not be necessarily agricultural in nature. Moreover, should these countries seek to approximate the trade damage which their exports had suffered in the U.S. market—28.5 percent from the 1963 level, or \$65.1 million—that would be the loss to U.S. exports.

(b) Impairment of U.S. efforts to combat increases in protection by other countries: The U.S. Government constantly faces situations in which foreign markets seek to increase trade restrictions against U.S. agricultural exports. In cases where the action is proposed, the United States must try as best it can to discourage the action. Where the action is already taken, the United States must seek to have the restrictions removed. Examples of recent actions of this nature are:

(1) An increase in the supplemental levy which Italy applies to imports of wheat, and an extension of this supplemental levy to additional classes of U.S. wheat. In this case, the United States has protested the action and asked that the levies be removed.

(2) Japanese duty increase on imports of poultry. The United States has been exporting increased amounts of poultry to Japan. The Japanese Government, being anxious about the impact of such poultry imports upon domestic producers, recently increased the import duty from 10 to 20 percent.

(3) Peruvian import duty increase on poultry products. The United States has also begun to build a market for its poultry

in Peru. Recently, the Peruvian Government has taken steps to increase its import duty on poultry imports.

In this latter case, the duty is subject to a GATT concession negotiated with the United States, and the United States has informed the Peruvian Government that it would consider this action to be a violation of that concession. In the previous two cases mentioned above, products involved are not covered by GATT concessions.

Should the United States now apply import quotas against imports of beef inconsistent with its GATT obligations and with the terms of the voluntary agreements which it has negotiated, its ability to speak forcefully against actions by other countries of the kind mentioned above will have been seriously impaired.

(c) Hampering of U.S. efforts to remove quantitative restrictions on U.S. exports: While much progress has been made in freeing U.S. agricultural exports from the quantitative restrictions which applied in the years immediately following the war, a substantial number of such restrictions continue to prevent the expansion of U.S. agricultural commodities in international trade. Recently, the United States has accelerated its efforts to have the countries maintaining these restrictions liberalize or remove them. This has been done through consultations under various provisions of the General Agreement on Tariffs and Trade and through bilateral representations. Our efforts have been hearteningly successful to date. For example:

(1) The United Kingdom recently, after extensive consultations in the GATT, removed its discriminatory restrictions on the importation of frozen orange concentrate from the United States. Commercial sources estimate that the United Kingdom will become a major market for U.S. concentrates.

(2) France, after consultations under Article XXIII of the General Agreement, agreed to liberalize restrictions which had applied to a number of fruits and vegetables. This liberalization also is considered to have commercial significance.

(3) Japan, after bilateral consultation, removed its restrictions on imports of lemons. This action also is commercially important to U.S. agriculture.

(4) The United States is presently consulting with Austria under appropriate GATT provisions with a view to further liberalization in the Austrian market, and a number of other consultations are planned in the coming months.

The imposition of quantitative restrictions on imports of beef by the United States could seriously affect the U.S. position in this liberalization effort. Countries are extremely unlikely to grant additional access to U.S. agricultural products to their markets if the United States at the same time is restricting access of agricultural commodities to its own market through the unilateral imposition of quantitative restrictions.

3. Effect upon Agriculture in the Kennedy round: The United States has been pressing strongly for the meaningful inclusion of agriculture in the Kennedy round of trade negotiations. In this effort, its meeting opposition from countries where domestic agriculture is considerably less efficient than in the United States, and where increased competition from U.S. agricultural production would occasion economic and political difficulties. The European Economic Community, for example, has put forward a plan for negotiating on agricultural products which would, we believe, have the effect of increasing agricultural protection. In support of its plan, the EEC has argued that agriculture presents extremely difficult social and economic problems, and that no liberalization in agriculture is possible at the present time.

The United States has opposed this view vigorously. The United States has agreed that problems exist on a number of agricultural commodities and has suggested a pragmatic approach for dealing with these problems. As an important element of its approach, it has put forward the concept of market sharing, exemplified in the voluntary agreements negotiated by the United States on beef—that is, that importers should undertake to maintain imports even on problem commodities at levels based on a very recent period, and should allow an increase in imports as the domestic market grows. This market-share principle is one which the United States is seeking to have accepted by the European Economic Community and other major markets abroad for products such as grains and poultry where the current level of U.S. exports is jeopardized by the import restrictions applied against them. The failure of the United States to uphold the beef agreements which it has negotiated, and to which it has pointed as example in any number of GATT forums, would be seized upon by those who seek to curtail U.S. exports as justification for the positions they have put forward. We could confidently expect to meet bitter criticism from the exporters to the United States directly affected, as well as a reaction from the EEC and other U.S. export markets, which could seriously affect the U.S. positions on agriculture in the Kennedy round.

4. Effect upon the Kennedy round as a whole: The U.S. position in the trade negotiations is that there can be no negotiation if agriculture is not included. Recently, Governor Herter stated the U.S. position in the following terms. "I have said, often and emphatically, that the United States will enter into no ultimate agreement unless significant progress is registered toward trade liberalization in agricultural as well as in industrial products." Enactment of legislative restrictions on meat imports could make it impossible to obtain the significant progress in agricultural trade liberalization which is necessary to achieve ultimate agreement in the Kennedy round. Should this be the case, the Kennedy round as a whole could fail. While the total impact of this failure cannot be forecast in numerical terms, it is clear that it could cost the United States hundreds of millions of dollars in increased exports through the loss of the concessions which the United States might obtain in the trade negotiations and through the increased impetus in protectionism which would result.

It is our judgment that mandatory meat import restrictions would kill any hopes the United States has of significant negotiating success in the agricultural sector and would open the door to restrictive inward-looking policies on the part of our major trading partners.

LIVESTOCK PRICE AND PROFIT OUTLOOK

(By Herrell De Graff, president, American Meat Institute)

In spite of some of the circumstances that I feel compelled to discuss this morning, I am pleased to have this opportunity to return to Omaha for another national livestock conference. The last time I shared this platform was from my position as food economist at Cornell University where, for many years, I concerned myself with the economics of this Nation's livestock and meat industry. On that earlier occasion I discussed our livestock industries as the balance wheel of American agriculture; as the market for some three-quarters of the total tonnage of harvested crops produced on our farms; as the distinctive factor that sets American agriculture apart from the agriculture of much of the rest of the world; and as the source of the abundant supplies of protein foods that, again, are the distinctive

characteristic of the American food economy.

In the years since I was here on one of these programs, I have enjoyed many interesting experiences—including several years when I worked on a part-time basis for the cattle industry as a consultant and analyst for the American National Cattlemen's Association.

Having lived almost 30 years on a university campus, I shifted a little over a year ago to a new career—to working with the American Meat Institute, the national trade association of the meat packing industry. But it is my own view that my interests in the livestock industry generally have not changed from the time when I worked more directly with cattle producers. There is a "meat team" in this country, each member of which has its job to do in the process of producing livestock, processing it, and distributing it in a manner that holds and increases the consumers' acceptance of meat. We are living in a time when farmers, ranchers and feeders—especially of cattle—are having trouble. No other part of the meat team does take, or can take, any satisfaction in this situation. Trouble for any one segment of the meat team has a way of spreading to become trouble for the others. This has always been true, and is not likely to change.

The basic problem before any national livestock conference today is the price break that, in the last year, has hit the cattle industry. We cannot have a livestock conference and ignore this. I came here specifically to talk about the cattle problem, as frankly and forthrightly as I know how. You will have to decide for yourselves whether my comments are pertinent and sensible.

In all the romantic story of America's food—a story that has no parallel in any other time or place in history—there are few if any more romantic pages than the story of beef in our markets in the years since World War II. Poultry is often referred to as a great success during this same period, but its story is very different from that of beef. Poultry consumption per capita has increased, but the retail price has declined in proportion as the quantity has gone up. As a result, the retail value of the per capita supply of poultry has been almost constant—which means that the poultry industry has literally given to consumers practically the whole increase in per capita supply.

Pork has done much better than poultry, but has met with less consumer favor than has beef. The per capita pork supply has been relatively constant in recent years, and retail prices for pork cuts have also held about steady. In consequence the retail value of the per capita pork supply, like the retail value of the per capita poultry supply, has held its own. But it has done so on stable quantities rather than increasing quantities. It is in this same measure, however—the retail value of the per capita supply (made up as it is of both quantity and price)—by which the performance of beef in the consumer market has been most sharply in contrast with either pork or poultry.

I am not sure that anyone knows all the factors that have been important in the successful comparative story of beef. High consumer purchasing power certainly has been one major influence. All studies of consumer preference with which I am familiar indicate that beef is this Nation's preferred meat. And certainly in recent years, more than at any time in the past, American consumers have been able to exercise that preference at the retail meat counter. Another factor in this success story is certainly the improvement in the average quality of the block beef that has come to be widely

available to consumers in their supermarkets. This improvement has paralleled the rise of the feeding industry and the tight specifications that have been written by mass-retailers for the beef that has gone into their display cases. Under these combined influences the aged steers of the past have all but disappeared. Practically every critter that is feedable has moved into feedlots, including most of what formerly were called two-way cattle. The steers and heifers almost universally go on feed as calves or yearlings, and move on to slaughter in the narrow and young age bracket of some 16 to 24 months.

The comparative uniformity of this beef (compared to the beef supplies of earlier years) and the predominant youthfulness of today's slaughter cattle have resulted in a high average of eating quality to which the consuming public has been remarkably responsive.

These circumstances began to exert their major impact on the cattle market roughly a decade ago. In all earlier cattle cycles it had been true that when beef supplies reached a high level of about 65 pounds, or a little more, the cattle cycle turned around and per capita supplies declined. And when per capita supplies reached a low point of 55 pounds, or a little less, the cycle turned again and supplies began to increase. Beginning a decade ago this picture changed. Beef supply and consumption broke out of the previous range, on the up side. In 1954 consumption rose to the then unprecedented figure of 80 pounds. All through the late fifties it was between 80 and 85 pounds. In 1962, it was just shy of 90 pounds—and last year hit the remarkable figure of 95 pounds.

And at least until this last year, the beef story was not merely one of rising consumption. The prices at which consumers were willing to take the increasing amounts of beef were also inching upward—so that the retail value of the per capita supply rose from about \$40 per person per year 10 years ago to about \$55 per person in each of the last 2 years.

Thus the beef story has been one of rising demand. Not only was more quantity consumed per person, but it was consumed at slowly rising prices per pound.

Seldom in the history of the cattle business has there been a period of more satisfying and more stable years than those between 1957 and 1962. With a little poetic rounding of figures we can describe those years in about these terms: beef calves left the ranch at around 28 cents or a little better; corn on the farm was about a dollar a bushel; fed cattle left the feedlot at around 26 cents; fed carcasses wholesaled at 40 to 41 cents; rib roasts retailed at around 79 cents and steak at roughly a dollar. This stability over a 5-year period tended to adjust the whole cattle industry to this kind of a price structure. Perhaps it was too good to be true, and too good to last.

Last May I spoke here in Omaha at a meeting of the Nebraska Bankers' Association. The burden of my remarks at that time was that the cattle business was heading for trouble—and my concern was not with import question but rather that the production potential of our domestic cattle industry was outrunning even the remarkably high level of beef demand by American consumers. Beef cow numbers had then increased to about 30 million head from just over 24 million at the previous low point in 1958. They have since increased to 31.8 million head. This is a one-third increase in 6 years. To be sure it is partly offset by a decline in dairy cows. But only partly, because today even dairy cows are producing steers for the feedlot. Annual beef production per cow in the national herd has been trending sharply up—an increase of 16 percent in beef production per cow per year in

just the last 10 years—so that even the increase in cow numbers does not fully measure our increased beef production.

I have begun to wonder when and how ranchers and farmers decide to turn off old cows. Apparently when the price of calves is good the decision is to keep the cow for the one more calf she might produce. And when cow prices are down, the decision apparently is to keep her because she is not worth much in the market. Maybe the only time she is turned is when calf prices go down and feed prices go up. And I certainly do not mean this statement to be critical because I would probably figure the same way.

It is nevertheless true that in recent years we have been very rapidly building up our beef producing potential. Moreover, price behavior since 1959 has indicated that we have been putting into the market about all the beef that consumers would take without risking a decline in cattle prices. This is not to say that 1959 through 1962 was a time of soft prices, but rather that the marketings were about as high as possible without price softness developing. In fact, in the second quarter of 1961 we did have a temporary price break, brought on by bunched marketings in that quarter. But this straightened out and prices again stabilized through practically all of 1962. The heavier marketings of 1963 did bring on the price break, which is the main point of our concern here today.

But even with the large marketings of these recent years we have continued to build up the national cattle inventory. In 1962, inventory numbers increased 3.7 million head, and again by almost as many in 1963. What these figures mean, again in rough terms, is that we were moving into consumption in 1962 and 1963 something like 90 percent of current production, and carrying 10 percent over in inventory. If slaughter rates in these last 2 years had been sufficient to prevent inventory increases, per capita supplies of beef (including imports) would have gone well above 100 pounds. And though beef demand is high and rising, price behavior in the market indicates that consumers are not yet ready to take 100 pounds of beef without a price drop.

Fortunately in recent years we have not had serious dry weather, in more than localized areas. Some cattle have been moved around to equalize feed supplies, but we have been fortunate enough to escape serious drought.

Yet everything in the history of the cattle business tells us that we cannot go on year after year with slaughter rates well below the level of production—and thereby continuing to build up inventory. We know also that record numbers of cattle pose proportionately greater risk to the hazards of dry weather. Always in the past it has been true that several years in which slaughter has been less than current production (leading to inventory increases), have been followed by years in which slaughter rate had to increase enough to check the inventory buildup or turn it downward. That is precisely what happened in the early 1950's; and much as I do not like the conclusion, I am nevertheless fearful that we are about to see the patterns of the mid-1950's all over again.

As I said at the beginning of these comments, my intent here is to speak forthrightly, because I do not think that anything else would be useful in these difficult times in the cattle business. It seems to me that the very success—the fantastic success—of beef in the consumer market in recent years has, of itself, built up much of the trouble that the cattle industry is now facing. This success, of beef, in the form of attractive prices for feeder stock and for fed cattle, has certainly contributed

to our inventory buildup. In addition, good prices for cattle and beef in this country have made the American market more attractive than any other in the world—and thus a magnet to the exporting countries. Still further, our demand for fed beef has resulted in just about every feedable critter going into the feedlot, and has contributed also to a low culling rate for cows—all with the result that domestic supplies of lean, manufacturing beef have sharply declined.

In all the hot discussion about beef imports—discussion which I fully understand from the cattlemen's viewpoint—I have heard very little explanation of why the sharply increased quantity of imports has been flowing into this country. The major reason if, of course, the reduced quantity of domestic supply of manufacturing beef.

Domestic output of manufacturing beef started sharply downward in 1956, at the turning point of the last cattle cycle. And our production of cow and bull beef for manufacturing purposes has dropped off 40 percent in the last 6 years.

In 1955 when our population was 165 million persons, we had a domestic output of 4.5 billion pounds of cow and bull beef. This amounted to 27 pounds per capita. In 1963, with a population of 190 million people we had a domestic production of 2.8 billion pounds of cow and bull meat—or 14 pounds per capita—almost a 50-percent decline on a per capita basis. Even with 1.5 billion pounds of manufacturing-type beef imported last year, we still had an aggregate supply (domestic plus imported) of 0.5 billion pounds less than the aggregate in 1955—and 15 percent less per person of our population. In all the discussion of the import question I have not seen this figure presented, or an explanation of what would have happened to our supplies of manufactured meat products without the imports that have come to us from other countries. It may be that you do not consider this matter to be important. On the other hand, perhaps it is.

Since 1955 we have had an increase of 10 million teenagers alone. And these youngsters, of course, are the big hamburger and hotdog consumer. As my 10-year-old neighbor girl said last Sunday, "Mommy, I can't take my lunch to school tomorrow. It is hamburger day in the cafeteria." And when my wife gave the little lady a new lunch pail for her birthday, she asked, "Is the mouth of that thermos big enough to take a wiener?"

Since 1955, production of frankfurters in this country has increased—but barely in proportion with the population increase—and the same is true of hamburger and of other processed meat products of which beef is an ingredient. And the only way in which the output of these meat items has kept pace with population growth is through the use of an increased proportion of the rough cuts from our fed beef carcasses. A decade ago one-quarter or less of the weight of fed carcasses was used for grinding or processing, compared to a figure now pushing close to 40 percent of the fed carcass weight. The neck meat, plates, flanks, and shanks are seldom seen these days in the meat case. They go for grinding, along with much of the fat trim, in combination with lean cow beef, of which we are now importing one-third of the quantity that is being used.

In other words if the hotdogs, hamburger, and other processed meats are to be in our markets in anything approaching stable quantities, it can be accomplished during years of low cow slaughter only with imported processing beef. And this situation, in degree, will continue to be true until our domestic production of manufacturing-type beef again turns upward. I still believe, as I did when I wrote the "Beef Book" for the American National a few years ago, that it

is better to keep people eating these products made from beef than it is to surrender this market to alternative foods to which consumers could and would turn.

Figures from a recent report by this country's agricultural attaché in Australia—figures which I believe he obtained from the Australian meat board—indicate that 60 percent of their boneless beef coming into this country goes directly to retailers who grind it for hamburger together with the rough cuts and fat trim from our fed carcasses. Five percent goes directly to restaurants for stews and the like, and 35 percent is used by packers for frankfurters and other processed meats.

The meatpacking industry has a policy of many years' standing of remaining generally neutral in questions of tariff and trade. This is certainly not for lack of interest in such questions, as they may affect our domestic livestock industry. Rather the policy is recognition that trade is a two-way street. We have an enormous amount of tallow and grease—\$150 million worth last year—that must be sold abroad. Other exports last year included \$80 million worth of hides and \$25 million worth of variety meats. There are still other slaughter byproducts for which we need export markets. Finding such outlets is more difficult at some times and less at others. But the trade is important if maximum values are to be returned for the total of livestock products.

It is certainly true that in recent years meat imports have considerably exceeded the value of slaughter-product exports. But this has never yet been true over the whole of a cattle cycle. Perhaps in the present cycle it will be true—but if so, it will be primarily because of the very large increase in the numbers of our teenagers, and even younger kids who have an enormous appetite for hamburgers and hotdogs. Trade is, and still must be, a two-way street—and even the present imports problem cannot be regarded as all white or all black, as all good or as all bad.

The USDA recently presented an analysis of the cattle situation in which it was reported that compared to a year earlier the price of cattle is down about \$3.70 per hundredweight. Of this amount, they estimated that about 20 cents was due to increased supplies of poultry and pork, about 50 cents due to the increased volume of imports, and about \$3 due to the increased production of domestic beef. While I hold no brief for the precision of these figures, I do think that they are roughly in line with the facts. And if this is true, it indicates that there are matters of concern to the cattle industry that run deeper than the single question of imports. Certainly this statement is not meant to gloss over the import matter, but to try as honestly as I know how to bring it to its proper perspective.

Whether we like it or not some basic economic changes have been occurring in the cattle business that go even beyond the buildup of herds and our rising beef-producing potential that we have already discussed. One of these changes that I do not think can be overlooked is the growth of the cattle feeding industry—and especially the increasing number of commercial feeders with large fixed investments in feed lot facilities. I see a marked parallel between these feeders and the meatpacking industry. They get large fixed investments in "blue silos," paved feed lots, feed mills, and other facilities—and they simply cannot sit still and look at an empty lot. The farm-feeders historically has been a highly flexible operator. He did not have to have cattle, and he fed in proportion to his own feed supplies and to market prospects as he saw them. The commercial feeders is less flexible. Like the meat-packer, his fixed costs go on whether he op-

erates or not—in consequence of which he strives to grind out more and more fed beef to justify his "sunk capital investment." I would ask the question, without being able to answer it, as to whether the rise of the feeding industry—and especially of the commercial feeder with his large committed capital—is not pushing toward an ever-rising volume of beef output, and whether this may not be leading toward both (1) a new type of domestic beef industry, and (2) less flexibility in our domestic beef production.

I have a disturbing feeling that the beef business under this influence, is getting to be like the chicken business—pressuring always for volume even though price takes a beating.

Another factor that we must not overlook is the change in the way beef is merchandized, and the kind of beef that today's mass merchandisers demand. Supermarket operators are discriminating buyers, as indeed they must be, if they are to stock the products that please their customers and bring them back to shop week after week. These mass merchandisers do not want, and will not take, overweight or overfat cattle. When market conditions result in decisions to "carry the cattle a little longer," the result is an almost impossible merchandising situation brought about by overfinished and overweight slaughter animals.

It certainly is not my purpose here today to suggest to producer groups what they ought to do about the imports question. But I hope I have been able to emphasize that the cattle industry has problems ahead of it that run both broader and deeper than just the import problem.

I do not like to believe that a period like the mid-1950's is what is ahead of us. But it does seem to me that this risk is so great that every thoughtful cattleman should now be questioning himself as to what he can do

to help ease the adjustment pains that the whole industry is facing.

In summary here are some points for your consideration:

1. If you have a cowherd, cull out the old and the barren cows. This may not reduce our calf crops significantly but it certainly should tighten up a ranch operation for the difficult times that may continue.

2. If you are a feeder, do not overfeed the cattle in your lots. Additional gain is costly—ruinously so—heavyweights are discounted, and the extra pounds of carcass do not help the market. Historically there have been few times when light cattle were coming to market that the cattle industry has been in trouble. It's almost always in trouble when the cattle are too heavy.

3. Do not bunch the marketings. We are in a time of high beef volume in the market—a time when bunched-up marketings can only mean further price troubles.

4. Get behind the sound beef promotion efforts of the Meat Board. Only a few more pounds of consumption by each of us would be a contribution to our supply problem—and though the imports are 10 percent of the supply, the domestic product is 90 percent.

I am enthused by the longer pull outlook for the beef business. Prospective population growth and the continued rising level of consumer income indicates that by 1970 (only 6 years away) we will need in this country some 25 percent more beef production potential than we have at the present time. The toughest part of the outlook is some intermediate years of adjustment—a time when we have temporarily overproduced. These intermediate years will be less difficult if all members of the beef team will keep the component problems in their proper perspective, and work together to get the job done.

Choice slaughter steer prices: Average cost per 100 pounds of sales out of first hands, Chicago, 1958 to date

BY MONTHS

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Weighted average
1958-----	\$26.82	\$27.54	\$29.90	\$29.37	\$28.83	\$28.07	\$26.99	\$26.11	\$26.70	\$26.67	\$26.77	\$27.19	\$27.42
1959-----	28.13	27.85	29.11	30.33	29.34	28.48	27.80	27.56	27.62	27.19	26.53	25.57	27.83
1960-----	26.42	26.69	28.08	27.76	27.43	26.04	25.64	25.07	24.80	24.94	26.08	26.86	26.24
1961-----	27.42	26.17	25.70	25.05	23.43	22.45	22.38	24.13	24.34	24.55	25.58	26.13	24.65
1962-----	26.39	26.76	27.31	27.45	26.02	25.25	26.50	28.19	29.85	29.50	30.13	28.91	27.67
1963-----	27.27	24.93	23.63	23.77	22.61	22.60	24.72	24.60	23.94	24.03	23.51	22.30	23.96
1964-----	22.61	21.34	21.56	21.28	20.52	21.57							

BY WEEKS, APR. 2 TO JULY 16, 1964

Week	Price	Week	Price	Week	Price	Week	Price
Apr. 2-----	\$21.48	Apr. 30-----	\$20.88	May 28-----	\$20.31	June 25-----	\$22.99
Apr. 9-----	21.56	May 7-----	20.46	June 4-----	20.43	July 2-----	23.04
Apr. 16-----	21.59	May 14-----	20.72	June 11-----	20.56	July 9-----	23.33
Apr. 23-----	21.17	May 21-----	20.58	June 18-----	21.61	June 16-----	23.36

Source: U.S. Department of Agriculture, ERS, ESA, Livestock Section.

The PRESIDING OFFICER. The time on the motion has expired on both sides. The question is on the motion to recommit. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK (when his name was called). On this vote I have a live pair with the Senator from Louisiana [Mr. ELLENDER]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. SALTONSTALL (when his name was called). On this vote I am paired

with the Senator from Kansas [Mr. PEARSON]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. DODD (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Missouri [Mr. LONG]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "year." I therefore withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from Missouri [Mr. LONG], the Senator from Michigan [Mr. HART],

and the Senator from Louisiana [Mr. ELLENDER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from California [Mr. ENGLE] are absent because of illness.

I further announce that the Senator from Mississippi [Mr. EASTLAND] is necessarily absent.

I further announce that, if present and voting, the Senator from California [Mr. ENGLE] would vote "nay."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Massachusetts would vote "yea."

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Michigan [Mr. HART]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Mississippi would vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

If present and voting, the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] would each vote "nay."

The pair of the Senator from Kansas [Mr. PEARSON] has been previously announced.

The result was announced—yeas 16, nays 70, as follows:

[No. 493 Leg.]

YEAS—16

Bartlett	Keating	Ribicoff
Beall	McNamara	Scott
Case	Muskie	Smith
Douglas	Neuberger	Williams, N.J.
Fulbright	Pastore	
Javits	Pell	

NAYS—70

Aiken	Hayden	Morton
Allott	Hill	Moss
Bayh	Holland	Mundt
Bennett	Hruska	Nelson
Bible	Humphrey	Prouty
Boggs	Inouye	Proxmire
Brewster	Jackson	Randolph
Burdick	Johnston	Robertson
Byrd, Va.	Jordan, N.C.	Russell
Byrd, W. Va.	Jordan, Idaho	Simpson
Cannon	Kuchel	Smathers
Carlson	Lausche	Sparkman
Church	Long, La.	Stennis
Cooper	Magnuson	Symington
Cotton	Mansfield	Talmadge
Curtis	McCarthy	Thurmond
Dirksen	McClellan	Tower
Dominick	McGee	Walters
Edmondson	McGovern	Williams, Del.
Ervin	McIntyre	Yarborough
Fong	Mechem	Young, N. Dak.
Gore	Metcalfe	Young, Ohio
Gruening	Monroney	
Hartke	Morse	

NOT VOTING—14

Anderson	Engle	Long, Mo.
Clark	Goldwater	Miller
Dodd	Hart	Pearson
Eastland	Hickenlooper	Saltonstall
Ellender	Kennedy	

So the motion of Mr. JAVITS to recommend, made for himself and other Senators, was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HRUSKA. Mr. President, I yield 3 minutes to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I am very happy with the strong vote disapproving the sending of the bill back to committee.

I had prepared another speech which I planned to make. Rather than make it now, I ask unanimous consent to have it printed in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR YOUNG OF NORTH DAKOTA

On several occasions I have joined in sponsoring legislation which would provide the American livestock industry a measure of protection from undue exposure to competition from imported meat and meat products. The legislation now being considered contains one such proposal. After exhaustive hearings the Senate Finance Committee incorporated this measure, which I joined the distinguished majority leader and others in sponsoring, into H.R. 1839. I would like to urge favorable consideration of this proposition.

Since the Finance Committee hearings were held, several developments have taken place which on the surface appear to alter the pressing need for this legislation. If one looks deeper into the situation, however, this need still exists. Indeed, if the temporary improvement in fed cattle prices slows the process of culling our own herds, the need for this legislation may be greater than before.

One would be remiss if he did not take note of the improvement in fed cattle prices in recent weeks. This price strengthening has been most welcome to our beef feeders. They do recognize, however, that such gains are at best short lived. U.S. Department of Agriculture statistics show that imports from Australia and New Zealand are down sharply from a year ago and considerably below the levels allowed under the voluntary agreements. This situation arises as shipments of beef from these nations to Great Britain and other European countries have been greatly increased to make up deficits created in this market by drought-forced herd reductions in Europe during 1962 and 1963.

This source of relief is rather fleeting and offers no recognition of the immense capacity for expansion of the livestock industry in these and other meat exporting nations. The recent recovery in fed cattle prices and the decline in imports would indicate that beef imports have a significant effect on domestic fat cattle prices.

The Department of Agriculture has taken a number of steps to provide assistance to the livestock industry. I think it is well to recognize these efforts, and I wish to comment briefly on them. On March 1, 1964, the Department initiated a beef buying program under section 32 of Public Law 320, 74th Congress, as amended. Through July 23, 146.8 million pounds of beef had been purchased at a cost of \$84.2 million. This meat has been used in programs providing assistance to needy families and as a part of the school lunch program and aid to eligible charitable institutions. This aid is valuable and worthwhile, and the program has undoubtedly been of some assistance to the livestock industry. It does appear, however, that the cost is extremely high when one considers that these purchases would be wholly unnecessary if the limitations proposed in this legislation were in effect.

The Department of Agriculture has also introduced a program to make beef avail-

able to eligible nations under Public Law 480. As of July 27, no actual sales had been made although contracts have been negotiated with Chile, Israel, and the United Arab Republic. The negotiated agreements call for a total of 18,000 tons of beef. Although this program has only been available since early June, it appears now that the potential sales under it will be rather limited due to limitations on the eligibility of nations, dietary habits and other factors.

These programs and the voluntary agreements negotiated with major exporters indicate recognition of the basic problem. Unfortunately, these efforts are either too costly or fall short of accomplishing the purposes intended. What is needed at this point is a clear and direct policy which will provide for equitable treatment of foreign producers in our market while permitting our own livestock industry to continue its operations in a dynamic economic atmosphere.

The proposal now under consideration will accomplish this purpose. Further, I do not see how, in good conscience, we can expect the American livestock industry to sacrifice its economic health for the benefits of another industry's or even another nation's gains in international commerce.

Mr. HRUSKA. Mr. President, I yield 3 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, it is my sincere hope that the pending bill will be passed. We lost a golden opportunity some time ago when we did not add this relief for the cattle industry to the farm bill.

We are faced with a critical situation, when cattle prices decline as a result of our market being flooded with foreign beef.

It should be noted that, just as bad money drives good money out of circulation, so low grade cuts of beef drive good cuts of beef off the market.

We cannot longer compete, in our domestic industry, with the cuts of beef that are imported.

I hope the administration will show the same diligence and interest in pushing this measure through Congress that it has shown with respect to many other measures which are supposedly designed to help the domestic economy, combat poverty, and raise the standard of living of the American people.

I hope the administration will show the same diligence. I hope the bill will not be buried in the House of Representatives. If it does get through the House of Representatives, it is my fervent hope that it will be signed and made law by the executive branch of the Government.

I urge passage of the proposed legislation, because I believe it is vitally necessary that we pass it in order to protect a very important and vital industry of our Nation. If we do not do so, it will be in serious trouble.

Mr. MANSFIELD. I yield 2 minutes on the bill to the Senator from South Dakota.

Mr. MCGOVERN. Mr. President, as a coauthor of the Mansfield meat import bill (S. 2525), introduced on February 20, 1964, and of the distinguished majority leader's subsequent amendment No. 465 to H.R. 1839, I support limitation on the importation of beef into the United States.

Meat imports contributed to the disastrous cattle price levels which prevailed for several months. Prices have advanced some recently. A decline in imports, due to European demand, government meat buying, and a developing export trade, has contributed to the rise.

But cattle and sheep prices are still below levels which will give producers and feeders an adequate return, and there is no prospect of fair prices until supplies of meat available are greatly reduced.

What is needed is a legally established import limitation which will remove the threat of burgeoning imports if our prices rise further. Such a limitation is justified. It makes no sense for nations which produce meat for export to ship to a country that already is oversupplied, when other nations desperately need high-protein foods.

To the extent that we can channel Australian, New Zealand, Argentine, and other beef supplies toward countries with a meat shortage, we improve the world food-supply situation. A limitation on our purchases will help to accomplish that purpose.

However, cattle producers and feeders should not be told that enactment of this beef import bill is going to solve all of their problems and bring cattle prices back to \$30 per hundredweight. Domestic cattle numbers and domestic marketing must be substantially reduced, too. There was a 30-percent rise in cows and heifers 2 years and older from 1958 to the end of 1963. Beef calf numbers rose from 18 to 24 million in the same period, and steers 1 year and older increased from 9 to 12 million.

Thus, both our cattle on the meat production line and our capacity to produce increasing numbers of meat animals have suddenly increased much faster than has our population. A reduction in cattle numbers is imperative. This import limitation bill will help, but it is not the major solution. I ask unanimous consent to have printed in the RECORD table 2 from the national cattle inventory made as of January 1, 1964, showing how our cattle herds have increased.

I opposed a beef-import amendment which recently was offered to the wheat bill, because I feared it would endanger enactment of the wheat legislation.

But I hope the limitation measure we are considering today will be passed and will be signed into law.

It will be of assistance domestically. It will redirect meat supplies toward countries which need that type of food.

In my opinion, it will not complicate the international trade negotiations now underway nearly as much as some of our foreign relations representatives believe. It will indicate only that the United States does not propose to protect an irrational world-trading pattern.

With the Finance Committee now solidly behind the bill, I am sure the President will give the measure careful consideration.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—Number of cattle and calves on farms and ranches, Jan. 1, by classes, United States, 1955 to date ¹

[In thousand head]

Year	For milk				Not for milk					
	Cows and heifers, 2 years and over	Heifers, 1 to 2 years old	Heifer calves	Total	Cows and heifers, 2 years and over	Heifers, 1 to 2 years old	Calves	Steers, 1 year old and over	Bulls, 1 year old and over	Total
1955.....	23,462	5,786	6,094	35,342	25,659	6,514	18,804	8,444	1,829	61,250
1956.....	22,912	5,407	5,890	34,209	25,371	6,206	18,869	9,483	1,762	61,691
1957.....	22,325	5,267	5,699	33,291	24,534	5,926	18,405	8,991	1,713	59,569
1958.....	21,265	5,126	5,571	31,962	24,165	5,903	18,275	9,252	1,619	59,214
1959.....	20,132	5,050	5,526	30,708	25,112	6,557	19,407	9,931	1,607	62,614
1960.....	19,527	5,079	5,575	30,181	26,344	7,036	20,425	10,574	1,676	66,055
1961.....	19,342	5,060	5,546	29,948	27,028	7,047	20,652	10,942	1,702	67,371
1962.....	19,148	4,960	5,414	29,522	28,231	7,309	21,995	11,026	1,699	70,260
1963.....	18,660	4,818	5,146	28,624	29,893	7,884	23,275	12,094	1,742	74,888
1964 ²	18,055	4,555	5,018	27,628	31,697	8,287	24,362	12,480	1,806	78,632

¹ Data for 48 States.

² Preliminary.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. I yield 1 minute to the Senator from Wyoming.

Mr. McGEE. I do not wish to say anything further at this time. I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, while a goodly number of Senators are in the Chamber, I should like to ask the distinguished majority leader about the calendar for the remainder of the day and perhaps for the remainder of the week, if he can give us some information.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, it is hoped that the Senate will see fit to proceed to the consideration of the legislative appropriation bill, which should not take very long, after the pending measure is disposed of.

It is hoped that tomorrow the Senate can take up the defense appropriation bill; also, that either tomorrow or on Thursday the Senate can consider the foreign aid authorization bill.

It is my understanding that various measures have been reported today by the Committee on Banking and Currency, the Committee on Labor and Public Welfare, and other committees. These will provide the Senate with plenty of work, if it so desires, for the remainder of this week, including Saturday.

I also understand that the distinguished Senator from West Virginia [Mr. RANDOLPH], who has been a stalwart in the battle against excessive beef imports, is ready to present the highway bill conference report.

Mr. RANDOLPH. We are hopeful that we may be able to bring it to the floor of the Senate.

Mr. MANSFIELD. As of the moment, that is all I can think of. But tomorrow I hope to be able to state the program in greater detail.

Mr. DIRKSEN. But as of tonight, there is only the legislative appropriation bill.

MEAT IMPORTS—WILD ANIMALS AND WILD BIRDS

The Senate resumed the consideration of the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

The PRESIDING OFFICER. Does the Senator from Nebraska yield back his time?

Mr. HRUSKA. Unless there are further inquiries, I am prepared to yield back the remainder of my time, and I yield it back.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT (when his name was called). Mr. President, on this vote I have a live pair with the senior Senator from Louisiana [Mr. ELLENDER]. If he were present, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. SALTONSTALL (when his name was called). Mr. President, on this vote I am paired with the Senator from Kansas [Mr. PEARSON]. If here were present, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Michigan [Mr. HART], and the Senator from Missouri [Mr. LONG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator

from Massachusetts [Mr. KENNEDY], and the Senator from California [Mr. ENGLE] are absent because of illness.

I further announce that the Senator from Mississippi [Mr. EASTLAND] is necessarily absent.

I further announce that, if present and voting, the Senator from Mississippi [Mr. EASTLAND], and the Senator from California [Mr. ENGLE] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Massachusetts would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Michigan [Mr. HART] is paired with the Senator from Missouri [Mr. LONG]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Michigan would vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], and the Senator from Kansas [Mr. PEARSON] are necessarily absent.

If present and voting, the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER] would each vote "yea."

The pair of the Senator from Kansas [Mr. PEARSON] has been previously announced.

The result was announced—yeas 72, nays 15, as follows:

[No. 494 Leg.]

YEAS—72

Aiken	Hayden	Morton
Allott	Hill	Moss
Bayh	Holland	Mundt
Bennett	Hruska	Muskie
Bible	Humphrey	Nelson
Boggs	Inouye	Neuberger
Brewster	Jackson	Prouty
Burdick	Johnston	Proxmire
Byrd, Va.	Jordan, N.C.	Randolph
Byrd, W. Va.	Jordan, Idaho	Robertson
Cannon	Kuchel	Russell
Carlson	Lausche	Simpson
Church	Long, La.	Smathers
Cooper	Magnuson	Sparkman
Cotton	Mansfield	Stennis
Curtis	McCarthy	Symington
Dirksen	McClellan	Talmadge
Dominick	McGee	Thurmond
Edmondson	McGovern	Tower
Ervin	McIntyre	Walters
Fong	Mechem	Williams, Del.
Gore	Metcalf	Yarborough
Gruening	Monroney	Young, N. Dak.
Hartke	Morse	Young, Ohio

NAYS—15

Beall	Fulbright	Pell
Case	Javits	Ribicoff
Clark	Keating	Scott
Dodd	McNamara	Smith
Douglas	Pastore	Williams, N.J.

NOT VOTING—13

Anderson	Goldwater	Miller
Bartlett	Hart	Pearson
Eastland	Hickenlooper	Saltonstall
Ellender	Kennedy	
Engle	Long, Mo.	

So the bill (H.R. 1839) was passed.

The title was amended, so as to read: "An Act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, and to impose quotas on imports of meat and meat products."

Mr. HRUSKA. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 82) to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 2262) for the relief of Catalina Properties, Inc.

The message further announced that the House had agreed to the amendment of the Senate numbered 3 to the bill (H.R. 10503) to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, and that the House had agreed to the amendments of the Senate numbered 1 and 2 to the bill, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10532) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1965, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 3 and 5 to the bill and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 8 and 13 to the bill and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 6413) to amend the act approved March 3, 1921, as amended, establishing standard weights and measures for the District of Columbia, and for other purposes, and it was signed by the Acting President pro tempore.

TREASURY AND POST OFFICE DEPARTMENTS, THE EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATION BILL, 1965—CONFERENCE REPORT

Mr. ROBERTSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of

the two Houses on the amendments of the Senate to the bill (H.R. 10532) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1965, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. INOUYE in the chair.) The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 23, 1964, pp. 16321-16322, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Mr. President, as the bill passed the Senate, it provided for appropriations totaling \$6,240,423,000, of which \$1,220,980,000 applies to the Treasury Department; \$5,002,500,000 to the Post Office Department; \$14,438,000 for the executive office of the President; and \$2,505,000 is for certain independent agencies.

The Conference Committee bill provides appropriations totaling \$6,233,273,000 for the programs and activities of the various departments and agencies. This total is under the budget estimates of \$6,268,691,000 by \$35,418,000; over the House bill of \$6,225,420,000 by \$7,853,000; and under the Senate bill of \$6,240,423,000 by \$7,150,000.

I ask unanimous consent to have included in the RECORD, at the conclusion of my remarks, a tabulation setting out the appropriation for the current year, the budget estimate, the House allowance, the Senate allowance, and the conference allowance for each appropriation in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10532, which was read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 3 and 5 to the bill (H.R. 10532) entitled "An Act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending June 30, 1965, and for other purposes", and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment, as follows:

Restore the matter stricken, amended to read, as follows: "at costs for any given area not in excess of those of the Department of Defense for the same area."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein with an amendment, as follows: In lieu of the matter proposed, insert the following:

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, D. C. 20250

Official business

Postage and fees paid

U. S. Department of Agriculture

Issued Aug. 4, 1964

For actions of Aug. 3, 1964

88th-2nd; No. 149

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HIGHLIGHTS: House committee reported Appalachia bill. House received conference report on pay bill. Senate debated foreign-aid authorization bill. House committee reported bill to establish Federal agricultural services to Guam. Rep. Olsen, Mont., submitted and discussed measure to provide that House concur in Senate amendments to meat import bill. pp. 17204, 17266-7, 17292

HOUSE

1. PAY. Received the conference report on H. R. 11049, the Federal pay bill (H. Rept. 1647). pp. 17267-82
2. D. C. APPROPRIATION BILL, 1965. Conferees were appointed on this bill, H. R. 10199. Senate conferees have already been appointed. p. 17200
3. LEGISLATIVE APPROPRIATION BILL, 1965. Conferees were appointed on this bill, H. R. 10723. Senate conferees have already been appointed. pp. 17200-2
4. ACCOUNTING. Passed under suspension of the rules H. R. 10446, to permit the use of statistical sampling procedures in the examination of vouchers. This

bill had been earlier reported with amendment (H. Rept. 1643). pp. 17244-5, 17292

5. APPALACHIA. The Public Works Committee reported with amendment H. R. 11946, the Appalachian bill (H. Rept. 1641). p. 17292
Rep. Schwengel criticized the Appalachian bill, listing some of the "grave shortcomings of this proposal." pp. 17264-6
6. GUAM. The Agriculture Committee reported with amendment, H. R. 3869, to establish Federal agricultural services to Guam (H. Rept. 1645). p. 17292
7. FORESTRY. The Agriculture Committee reported without amendment S. 51, to authorize the Secretary of Agriculture to relinquish to Wyo. jurisdiction over certain lands in the Medicine Bow National Forest (H. Rept. 1646). p. 17292
8. ADMINISTRATIVE LAW. Passed over without prejudice S. 1664, to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States. p. 17206
9. COMMITTEES. Received a list showing employees, positions, and salaries of the staff of each committee. pp. 17283-92
10. PERSONNEL. Rep. Olsen, Mont., urged adoption of his bill, H. R. 8162, providing for an increase in civil service retirement benefits. pp. 17263-4
11. EDUCATION. Rep. Perkins inserted data indicating the effect of the impacted-areas laws on each congressional district. pp. 17237-41
12. POVERTY. Rep. Frelinghuysen urged defeat of the poverty bill and adoption in its place of his bill, H. R. 11050, providing "substantial sums" over a three-year period without creating "a new and entirely unnecessary Federal agency." p. 17205
13. MEAT IMPORTS. Rep. Teague, Calif., announced that he would have no objection to referring to H. R. 1839, the meat import bill, as "the Teague bill." p. 17205
Rep. Talcott spoke in favor of the meat-import restrictions bill. p. 17205
Rep. Morris stated that "the cattlemen of Australia...got the best end of the bargain" in the agreement on meat imports and that 10 percent of the excess supply of beef is coming from imports. p. 17204
14. FORESTRY; PERSONNEL. Passed without amendment, S. 2218, to authorize the Secretary of Interior to accept the transfer of certain national forest lands in Cocke Co., Tenn., for purposes of the Foothills Parkway. p. 17210
Passed over without prejudice, H. R. 3800, to authorize the waiver of collection of certain erroneous payments made by the Federal Government to certain civilian and military personnel. p. 17208
Passed without amendment H. R. 11546, to validate certain payments made to employees of the Forest Service. p. 17209
Passed as reported, H. R. 4242, to provide for the release and transfer of all right, title, and interest of the U. S. in certain tracts of land in Pender County, N. C. p. 17209
Passed without amendment, H. R. 10069, to authorize exchange of lands adjacent to the Lassen National Forest, Calif. p. 17210
15. INSPECTION SERVICES. Passed without amendment H. R. 9180, to enable the Secretary of Agriculture to furnish, upon a reimbursable basis, certain inspection services involving overtime work. pp. 17209-10

88TH CONGRESS
2^D SESSION

H. RES. 812

IN THE HOUSE OF REPRESENTATIVES

AUGUST 3, 1964

Mr. OLSEN of Montana submitted the following resolution; which was referred
to the Committee on Rules

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution, the bill H.R. 1839, with the Senate amendments
3 thereto, be, and the same hereby is, taken from the Speaker's
4 table, to the end that the Senate amendments be, and the
5 same are hereby, agreed to.

V

88TH CONGRESS
2D Session

H. RES. 812

RESOLUTION

To provide for the concurrence of the House of Representatives to the Senate amendments to H.R. 1839.

By Mr. OLSEN of Montana

AUGUST 3, 1964

Referred to the Committee on Rules

E. A. ROLFE, JR.

Mr. ASHMORE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2215) for the relief of E. A. Rolfe, Jr., with Senate amendment thereto, disagree to the Senate amendment and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ASHMORE, DOWDY, LIBONATI, SHRIVER, and KING of New York.

RANGER 7

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, the entire Nation is proud and elated by the success of Ranger 7. The National Aeronautics and Space Administration's program for unmanned investigation of space has achieved a breakthrough of proportions far beyond our highest expectation. Our scientists and technicians have obtained pictures showing lunar detail within a distance of half a mile, not by a factor of 10 which had been hoped for in this flight, nor by a factor of 100, which would have been remarkable, but by a historic factor of 1,000. For the first time lunar information has been obtained at a range closer than our best telescopic record of a distance equivalent to 500 miles. The new data on the lunar surface constitutes a major milestone in our efforts to land our astronauts. It will allow our scientists much greater accuracy in building the lunar excursion module and landing equipment, in planning the trip, in estimating landing conditions, and in devising the descent route.

The validity of the space program has been reconfirmed and the American people are paying tribute to the efforts of all the scientists and technicians who have made it possible. Dr. Homer E. Newell, the Associate Administrator for Space Science and Applications, who directs NASA's unmanned investigation of space; Dr. William H. Pickering, the director of the propulsion laboratory operated by the California Institute of Technology at Pasadena; and Dr. Gerard P. Kuiper, the principal investigator on Ranger 7, are leading among the many members of the Ranger team, who together with various subordinate agencies and contractors have attained the vital data heretofore unavailable to the space exploration effort.

Mr. James Webb, a former Oklahoman, has put together one of the most competent organizations and is executing one of the most successful programs in the history of the Republic. We commend these great Americans, one and all.

MACHINES IN SPACE

Mr. WYMAN. Mr. Speaker, the photographs of the moon's surface taken by

cameras built into Ranger 7 and by these cameras transmitted a quarter of a million miles away back to earth and there reproduced on television screens with utmost clarity is a great tribute to the scientific progress of our experts in America's space program. Ranger 7 is a highly technical success.

Furthermore, it is a success in the right direction; namely, the use of machines to photograph and survey the moon before we undertake to send human beings there. I heartily endorse and support those aspects of our space program that emphasize and profit from the use of machines such as cameras, weather satellites, radio signals, radar, and all the other instruments of a modern scientific world of wonders.

But manned space flight is something else. Once a man is put into a capsule and launched into the vacuum that is space, perfectly staggering costs are involved to keep him alive. From space suits to food, to the basic necessities of human animal life, keeping a man in space is a fantastically expensive proposition. Our taxpayer's burden is almost backbreaking.

The Apollo program does not need to be called off. Congressmen like myself may be skeptical, but they recognize that this is the space age. The trouble with the Apollo program is a very simple one. It is the same trouble that the great majority of us have in running our personal affairs. It is, simply, that there is not enough money to do all the things we would like to do, whether it is in space programs or heart disease or oceanography. The Apollo program aims to put a man on the moon by sending several men to the moon in a space vehicle containing another space vehicle that will separate from the larger craft, descend to the surface of the moon, ultimately return to the same larger craft that is all the while racing around the moon in what is called lunar orbit at speeds in excess of 17,000 miles per hour, and then return the whole apparatus to earth.

Frankly, Mr. Speaker, with all due respect to the great scientists and learned men who comprise the dedicated workers of the National Aeronautics and Space Administration, now so encouraged and happy that some cameras have taken pictures of the moon's surface, I have serious doubt whether men can effect such a rendezvous capability in space and more particularly in lunar orbit. The niceties of a joinder and separation at 17,000+ miles per hour are exceedingly intricate, to understate the fact.

Despite this indisputable area of conjecture, and despite the fact we should wait until we know this is possible, we on the Appropriations Committee and ultimately the Congress are being asked to appropriate hundreds of millions of dollars to mock up and build the lunar excursion module and other capsules that, if to be used at all, cannot be used for several years and which may never be able to be used at all. To this extent, I believe that Congress should hold back on the appropriations for Apollo space

vehicle procurement until we have established that man can rendezvous in space by completing successfully the present Gemini program. Let us keep on with our space programs but let us be sure that they are conceived with a realistic measure of pragmatism and continued in the realization that there are not enough dollars to do everything all at once.

An editorial in yesterday's New York Times complimentary to Ranger 7's accomplishment stresses the need to do more with machines at this stage before we commit too much to the manned space flight program so fraught with uncertainties.

And, of course, the first thing that should be changed is the 1970 target date, for there is no need to establish a target date in any event—except, of course, to create an atmosphere in the Congress of pressure for continued haste in appropriating and spending billions of sorely needed taxpayers' dollars, some in the wrong direction.

The New York Times editorial entitled "Triumph for Ranger 7" reads as follows:

TRIUMPH FOR RANGER 7

Publication of the first sample of lunar pictures taken by Ranger 7 confirms with extraordinary force that this rocket's flight has been one of the most successful and productive experiments in scientific history. The exquisite clarity of the closeups of the moon's surface transmitted to earth assure that this event will be recorded as the real beginning of serious human exploration of the moon from the neighborhood of that satellite.

The full exploitation and analysis of new information will take several years, but even the first preliminary study has cleared up major problems and dispelled previous ignorance on important matters. The principal conclusion, of course, is that much of the lunar surface is smooth enough to be suitable for safe landing on it of manned vehicles. Areas of extreme roughness, with numerous medium-sized and small craters previously unknown, have also been found, alerting Project Apollo planners to the importance of avoiding such regions. The fears reputable scientists had expressed earlier about the possibility that the moon was covered with a thick layer of dust, in which vehicles or men landing there might be buried, have been shown to be baseless.

The conception behind Ranger 7's flight has proved sound, and there is every reason for confidence that more such flights will greatly extend man's knowledge of lunar geography and topography. They should also help answer many questions about the forces that have shaped this satellite and its weird surface. Clearly, enormous amounts of information about the moon can be gathered by unmanned rockets, like Ranger 7, carrying cameras and other instruments.

As President Johnson indicated yesterday, the day is not distant when it will be possible to land men on the moon. But it is now plainer than ever that there is no great scientific necessity for racing to achieve this goal and thus vastly increasing the price in money and human peril. The potentiality for obtaining so much more information relatively cheaply from unmanned, instrument-carrying rockets strengthens the case for abandoning the arbitrary 1970 deadline for Project Apollo and substituting a schedule permitting orderly progress toward a manned voyage to the moon without hazards or costs indicated only by the desire to achieve this objective under maximum draft.

SPECIAL SHOWING OF PHOTOGRAPHS TAKEN OF THE MOON

(Mr. ALBERT asked and was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, I desire to make the following special announcement:

There will be a special showing of photographs taken of the moon by the highly successful *Ranger 7* at 10 a.m. on Wednesday, August 5, and again at 2 p.m., in the caucus room in the Cannon House Office Building.

This will be about a 45-minute presentation and will include a very interesting commentary.

All Members of the House and their staffs are cordially invited to attend.

RANGER 7

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, the successful completion of the mission of *Ranger 7* is one of the great accomplishments of our generation. It is evidence of the superiority of America in the field of science and more particularly in the area of space sciences. All of America should realize that through this effort mankind will benefit in many ways. Placing a man on the moon will, of course, be a great achievement; however, it will be insignificant as compared to the wealth of knowledge which will accumulate as a result of that effort.

This most recent achievement is dramatic and exciting to the scientist and the layman alike. In knowledge there is great power and there is hope and fervent prayer that all of this might be used to benefit mankind and assure us of a world and universe where peace might prevail forever. The psalmist was mindful of the great power God had given to man when he said:

What is man that Thou art mindful of him? * * *. Thou madest him to have dominion over the works of Thy hands.

Truly this great power is realized more than ever as man has extended his explorations beyond the limits of the planet, earth, and seeks to unveil the mysteries of the universe.

IMPORTATION OF MEAT AND MEAT PRODUCTS

(Mr. MORRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRIS. Mr. Speaker, there has been a lot of talk going on about the importation of meat and meat products, and about the agreement that was negotiated between our Government and the Government of Australia.

I want to read today for the House a quote from the *Sydney Telegraph* which says:

Most of the relatively small cut, \$15,068,000, out of the yearly exports of \$179,-

200,000 to the United States should be recouped through the 3.7-percent increase. In any case experts are confident that Australia will not be hurt.

The article goes on to say that the cattlemen of Australia were very pleased with the agreement, and I for one do not blame them for feeling that way. After all, they got the best end of the bargain.

When the State Department made the announcement that the beef import resolution passed the Senate, a Mr. Phillips said that the legislation restricting imports of veal, mutton, lamb, and canned meat would not materially strengthen cattle prices and could mean retaliatory action against American exports. Mr. Phillips does not know that it would not help the cattle price. He does not know what would happen, and neither does anybody else. We do know that we have an excess supply of beef in this country, and we do know that at least 10 percent is coming from imports.

IMPORTATION OF BEEF, VEAL, LAMB, AND MUTTON

(Mr. OLSEN of Montana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLSEN of Montana. Today I introduced into the House a resolution (H. Res. 812) that the House concur and agree to the Senate version of H.R. 1839 to restrict the importation of beef, veal, lamb, and mutton.

Many months ago, I introduced a bill, H.R. 10082, in the House for the same purpose. Many other Members of the House did the same; however, the subject has never been brought up for hearing at this late date, the fastest and only method of legislative assistance for the cattlemen is for the House to pass my resolution.

The cattle industry is today one of the most significant elements in the American agricultural economy. For example, \$1 of every \$5 received from sales of agricultural products is derived from calves and cattle. Moreover, 30 percent of the U.S. corn crop and 70 percent of all harvested crops are consumed by American stock; and, of course, the beef industry indirectly affects the entire economy, from the large implement manufacturers to small local businesses.

The Senate passage of H.R. 1839 to restrict the importation of beef, veal, lamb, and mutton challenges the House of Representatives to respond in like manner to the problems facing American stockmen.

The establishment of import quotas will not, of course, completely solve the price dilemma which faces cattlemen. Yet imports add significantly to the low price problem; and the setting up of quotas would make a meaningful contribution to improving the outlook for the U.S. agricultural economy.

I hope and trust that the Committee on Rules will grant an early hearing and favorable action on my resolution House Resolution 812.

MEAT IMPORTS

(Mr. DORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORN. Mr. Speaker, I am today introducing a bill which will require all foreign meat imports into the United States to be labeled. This imports would be labeled with the country of origin. This bill would cover all meat imports from our allies and from Communist countries as well.

Mr. Speaker, cattle farmers are particularly depressed. Our cattle farmers are losing millions of dollars and many of them could be forced into bankruptcy. We have an oversupply of beef and livestock generally. It is incredible that this Nation should permit imports of livestock. For our own Government to permit these meat imports to flood our country without the consumer being aware of the country of origin is unbelievable.

The livestock prices and chaos in the livestock market warrants immediate consideration of this bill along with a bill to limit imports altogether.

WALTER JENKINS

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, the serving of a subpoena yesterday on Walter Jenkins, Special Assistant to President Johnson, may yet provide a moment of truth in the Bobby Baker scandals that have received such a heavy coating of whitewash.

The subpoena was served in connection with the \$300,000 damage action which Ralph L. Hill has brought against Baker, Fred G. Black, former lobbyist for North American Aviation, and the Serv-U Vending Corp.

It is understood the subpoena calls upon Jenkins to give any information he may have on campaign contributions and advertising promotions in behalf of the Johnson television and radio interests in Texas.

It will be interesting to note how Jenkins responds to this subpoena, and whether there is any White House interference.

There has already been too much whitewash. The public is entitled to the facts.

CORRECTION OF ROLL CALL

Mr. ASHBROOK. Mr. Speaker, on roll call No. 185 I am recorded as not being present. I was present and voted "nay." I ask unanimous consent that the permanent Record and Journal be corrected accordingly.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

ECONOMIC OPPORTUNITY ACT OF 1964

(Mr. FRELINGHUYSEN asked and was given permission to address the House for 1 minute.)

Mr. FRELINGHUYSEN. Mr. Speaker, the majority leader, quite rightly, has just now commended the achievements of NASA with respect to Ranger's photographs of the moon a few days ago. He stated that detailed photographs of the moon would be available for showing to Members on Wednesday.

Unfortunately, there is also other business on Wednesday. The so-called poverty package, otherwise known as the Landrum-Powell bill, is up for consideration. As I have said before, I hope this unsound bill can be defeated. I took this time because I would like to call attention to the fact that other alternative, and far more reasonable, programs have been suggested, one of them, H.R. 11050, introduced by me on April 28. This bill would not establish a new and entirely unnecessary Federal agency. It would not establish unprecedented powers for a Federal agency, but would make available substantial sums over a 3-year period. I refer more specifically to my views expressed on page 9043 of the RECORD on April 28. There is also a synopsis of this bill on pages 92-96 of the committee report on the so-called Economic Opportunity Act of 1964.

IMPOSING RESTRICTIONS ON BEEF FROM AUSTRALIA AND NEW ZEALAND

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute.)

Mr. TEAGUE of California. Mr. Speaker and my colleagues, since the Senate a few days ago passed the bill proposing to place restrictions upon the import of beef from Australia and New Zealand, many Members of this body have risen in support of the action taken by the Senate. I would like my colleagues to know that the bill passed by the Senate, H.R. 1839, is my bill, it has my number and my name on it. I fully support it and I have no objection whatsoever if any of you people refer to it as the Teague bill from here on out.

FOREIGN BEEF IMPORTERS COUNCIL, INC. IS REAL OPPOSITION TO "BEEF IMPORT" BILL

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALCOTT. Mr. Speaker, the cat came out of the bag in a big advertisement in the Washington Star of July 31, 1964. In six columns, almost a full page, the meat Importers Council, Inc., bemoans the fact that most of the Senators recently voted for the American cattlemen and against the foreign importer of cheaply produced meat products. The House would vote for the American cattleman too if they were given an opportunity. Why should they not vote to protect the largest single industry in

America from bankruptcy caused, in part, by the importation of meat from foreign countries where labor is cheap, land is cheap, feeds are cheap, and taxes are lower or nonexistent.

Of course, foreign importers can make a profit by buying cheap foreign meats and undercutting one of our most important industries. Our cattlemen cannot pay the high wages, costs, and taxes and compete favorably.

Who should we protect? Who should the Senate protect? Who should Congress protect? The most important U.S. industry or profiteers who deal in cheaply produced foreign meats.

If the American consumer knew what meat producers they were financing and which foreign importers they were supporting, they too would reject the cheap imports and importing profiteers.

If the American consumer really knew the facts he would not permit himself to be the "scapegoat" or the "strawman" of the foreign Meat Importers Council, Inc.

Let the "beef import" bill be brought to a vote so that the Members of the House can decide whether they favor the U.S. cattleman or the foreign importer of cheaply produced meat.

The Senate finally came around to voting for the U.S. industry. Let us see who the House will be for or who the House will be against. Until the "beef import" bill is brought to a vote, the House is casting its lot with the Meat Importers Council, Inc., and against the U.S. cattlemen and U.S. beef processors and U.S. beef consumers.

(Mr. FISHER asked and was granted permission to address the House for 1 minute and to revise and extend his remarks.)

[Mr. FISHER addressed the House. His remarks will appear hereafter in the Appendix.]

SALE OF PIRANHA FISH

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Speaker, recently the sale of the vicious flesh-eating piranha fish has become somewhat of a novelty in New York City and other large cities of the North. Importers of these tiny menaces have found a ready market in the pet shops where the curious may purchase one for as little as 95 cents.

My State of Florida has passed a law forbidding the importation of these fish within the State boundaries. This law was passed, however, when the number of piranha fish within the United States was very small indeed.

Now that the piranha fish may be purchased freely in pet shops across the Nation, there is a need for more drastic measures to bar their importation on a nationwide basis.

Title 18, United States Code, section 42, gives to the Secretary of the Interior the power to prohibit the importation into the United States of any fish which

he may deem "to be injurious to human beings, agriculture, horticulture, or wildlife. He also has the power to export or destroy "all such prohibited mammals, fish, and so forth."

My district alone contains hundreds of miles of navigable waterways used for boating, sport fishing, bathing, and other recreational uses. While authorities differ as to whether the piranha fish could firmly establish itself in south Florida waters, all would agree that there is a distinct possibility that it could.

Mr. Speaker, before this dangerous hobby generates any more purchases and before the number of piranha fish in the country becomes too large to control, I urge the Secretary of the Interior to exercise the power he possesses and take immediate steps to prohibit the importation of the dangerous piranha fish. So long as there is any possibility there is a great danger to the residents of south Florida.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PROVIDING FOR ACQUISITION OF CERTAIN PROPERTY IN SQUARE 758 IN THE DISTRICT OF COLUMBIA, AS AN ADDITION TO THE GROUNDS OF THE U.S. SUPREME COURT BUILDING

The Clerk called the bill (S. 254) to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

PROVIDING FOR ADDITIONAL COMMISSIONERS OF THE U.S. COURT OF CLAIMS

The Clerk called the bill (S. 102) to provide for additional commissioners of the U.S. Court of Claims.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RELATING TO THE ESTABLISHMENT OF CONCESSION POLICIES IN THE AREAS ADMINISTERED BY NATIONAL PARK SERVICE

The Clerk called the bill (H.R. 5886) relating to the establishment of concession policies in the areas administered by National Park Service and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the bill be stricken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

APPLICATION OF EVACUATION AND ALLOTMENT PAY LAW TO GOVERNMENT PRINTING OFFICE

The Clerk called the bill (H.R. 8827) to extend the act of September 26, 1961, relating to allotment and assignment of pay, to cover the Government Printing Office, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PART III, DISTRICT OF COLUMBIA CODE, "DECEDENTS' ESTATES AND FIDUCIARY RELATIONS"

The Clerk called the bill (H.R. 10200) to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object—and I shall not object—I should like to know if it is not possible, and if it is not agreeable to the Committee on the Judiciary of the House, that the printing of the bill in the RECORD be dispensed with, inasmuch as it is quite voluminous and would result in great expense. That is true with respect to this bill and the next bill to be considered.

Mr. LIBONATI. Mr. Speaker, I intend to make such a request.

Mr. ASPINALL. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. LIBONATI. Mr. Speaker, because of the cost involved to print the bill in the RECORD, I ask unanimous consent that the printing of the bill in the RECORD be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENACTMENT OF SUBTITLE II, TITLE 28, DISTRICT OF COLUMBIA CODE

The Clerk called the bill (H.R. 11466) to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. LIBONATI. Mr. Speaker, I make a similar request with respect to this bill. I ask unanimous consent that the printing of the bill in the RECORD be dispensed with, because of the expense involved.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING AN ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

The Clerk called the bill (S. 1664) to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FUNDS OF THE PAWNEE TRIBE OF OKLAHOMA

The Clerk called the bill (H.R. 10672) to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds on deposit in the Treasury of the United States to the credit of the Pawnee Tribe of Oklahoma that were appropriated by the Act of May 17, 1963 (Public Law 88-25; 77 Stat. 20), to pay a judgment by the Indian Claims Commission in docket 10, and the interest thereon, after payment of attorney fees and expenses, may be advanced or expended for any purpose that is authorized by the tribal governing body and approved by the Secretary of the Interior. Any part of such funds that may be distributed per capita to the members of the tribe shall not be subject to the Federal or State income tax.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND HELD FOR THE FLANDREAU SANTEE SIOUX TRIBE

The Clerk called the bill (H.R. 11052) to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the right, title, and interest of the United States

in 80 acres of land described as the east half northeast quarter section 16, township 107 north, range 48 west, fifth principal meridian, acquired by the United States for the Flandreau Boarding School and no longer used for such purposes, together with improvements thereon, are hereby declared to be held by the United States in trust for the Flandreau Santee Sioux Tribe.

With the following committee amendments:

Page 1, line 7, after "School", insert "at Flandreau, South Dakota,".

Page 1, line 10, strike out "Tribe." and insert "Tribe, subject to all valid existing rights-of-way."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEY LAND ON THE WHITE EARTH RESERVATION

The Clerk called the bill (H.R. 11425) to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all the right, title, and interest of the United States in a tract of federally owned land located on the White Earth Reservation, Minnesota, described as: northwest quarter southwest quarter southwest quarter section 26, township 146 north, range 39 west, fifth principal meridian, Minnesota, containing 10 acres, more or less, which tract of land was donated to the United States in 1913 by the Northern Minnesota Conference of the Methodist Episcopal Church in the United States of America, is hereby reconveyed to the Minnesota Annual Conference of the Methodist Church, the donor's successor organization, for as long as the tract of land is used for education, community service, or religious purposes. Title to the land shall revert automatically to the United States, and be held in trust for the Minnesota Chippewa Tribe, when the land ceases to be used for the prescribed purposes. By accepting the rights granted herein, the grantee agrees for itself and its successors or assigns that a determination by the Secretary of the Interior that the land has ceased to be used for the prescribed purposes shall be conclusive of these facts. The Secretary of the Interior shall publish in the Federal Register a notice of such determination.

With the following committee amendment:

Page 2, line 4, after "organization" change the comma to a period and strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SELL ENTERPRISE RANCHERIA NO. 2 TO CALIFORNIA

The Clerk called the bill (H.R. 11562) to authorize the Secretary of the In-

and H.R. 11066, which was very badly drafted because it contained many proposals inconsistent with existing Federal-State programs and services. The so-called clean bill removed some of the objectionable features of the original bill, but there are more equally objectionable features still in the bill.

The public hearings on the original bills were held in an air of cordiality and bipartisan cooperation. These hearings were concluded and everything seemed reasonably peaceful. The Republicans on the special ad hoc subcommittee were told that sufficient executive sessions would be held to discuss the legislation. Throughout the entire hearings I repeatedly requested that the members of the subcommittee tour the Appalachian region to view for themselves the problems and the economic situation there. Since my requests went unheeded, I am going to Appalachia tomorrow to try to get firsthand experience with the situation there.

At 9:30 a.m. tomorrow morning I am going to hold hearings in the New Federal Office Building in Martinsburg, W. Va. Interested parties are being invited to come in and testify on the Appalachian bill. I shall report back to the Congress on what I find.

The Congress adjourned for the Republican National Convention on July 2, and everything seemed okay. On Friday, July 17, before the Congress was to reconvene on the following Monday to finish the business of this session, the hearings were ordered to be printed. These hearings had been held from being printed for some 3 or 4 weeks, and as a result we finally started the first executive session of the subcommittee without even having copies of the hearings available for reference. The previous weekend the administration officials and Democratic leaders for the legislation went running around Washington supposedly drafting the clean bill. There is sufficient evidence to substantiate a claim that the major portions of the clean bill had already been redrafted and the bill needed only finishing touches.

On Monday, July 20, when the Congress reconvened, our colleague, the gentleman from Tennessee [Mr. DAVIS], introduced the clean bill, H.R. 11946. The race was on. Immediately the committee leadership scheduled an informal meeting of the subcommittee to discuss the changes in the bill on Tuesday, July 21, with the intentions evidently being to have an executive session of the subcommittee on Wednesday, July 22, to favorably report the bill to the full committee. No hearings were held on the clean bill to acquaint members of the committee with the extent and effect of the changes. The full committee then would have met to favorably report the bill to the House on Thursday, July 23. This was done in an atmosphere of partisanship rarely evident in our committee.

Actuality shows this bill was "railroaded" through the subcommittee. Amendments to even clarify certain provisions of the bill were knocked down almost every time. It became increas-

ingly evident that the heat was on to have this bill reported. It was only because of Republican demands for a full reading of the clean bill, that railroading was prevented in the full committee.

With a bill as far reaching as this one it is a disgrace to certain factions in this Congress that a bill of this nature should be used for political purposes during this election year to the extent that this bill has been. Buying votes with such unproven and poor prospects for good results in relieving human misery is a tragedy and a travesty. To run a Congress or an administration as the administration and factions of this Congress are doing invites an indictment by the American people this fall. Their reckless, careless, and almost cruel handling of a bill of this nature is unconscionable. One thing is increasingly evident—the war on poverty has purposes exterior to helping people in poverty. These proposals reek with political vote-buying with the people's money that is rarely seen in legislative halls.

This Appalachian bill was originally opposed on the basis of several important contentions. Earlier this month I rose to the floor of this House to mention only a few of the grave shortcomings of this proposal. I pointed out then:

First. The open end spending authorizations.

Second. The duplication of existing Federal programs and services.

Third. The discrimination against the rest of the Nation by the establishment of a regional approach.

Fourth. The estimated costs that range from \$4 to \$24 billion over the life of the program.

Fifth. The absolute veto power of the Federal representative and Federal control on all plans and projects.

Sixth. The back-door spending provisions which would allow upward of \$550 million to be spent through such provisions.

Seventh. The \$920 million for a 5-year development highway program.

Eighth. The lack of annual congressional review of the programs and projects.

Ninth. The small spending in the first year of the program would balloon into countless millions during later years.

Tenth. The accelerated public works program to meet unemployment with expenditures ranging over one-half billion has been a failure.

Today, I rise to the floor of this body to point out the fallacies in the so-called clean bill on Appalachian regional development. These points of contention are as follows:

First. It would provide preferential treatment for one section of the United States and discriminate against other areas of the Nation with equal or greater unemployment and lack of economic development.

Second. It is highly unlikely that the programs provided will produce any substantial effect in alleviating so-called social, educational, and economic "deprivation" in the Appalachian region.

Third. There is no justification for inclusion of all of the 355 counties that are prosperous, and 67 do not qualify for

benefits under the Public Works Acceleration Act as being depressed or labor surplus areas.

Fourth. The selection of the Appalachian region for special treatment because of the high percentage of families having annual incomes of less than \$3,000 which the administration says is the dividing line between poverty and the ability to enjoy the affluence of American society, ignores many factors, such as price indices in the area, the above national average of homeownership and appliances, single car ownership per family, home production of food stuff, and the fact that average family retirement benefits provided by the Government under social security is approximately one-half of the \$3,000 top limit of poverty.

Fifth. The Congress is being asked by the administration to enact far-reaching legislation on the basis of 1960 statistics and data purported to show conditions of economic deprivation in the face of current information including statements that improvements have been made and many corrective actions undertaken within the past 4 years. Lengthy hearings were held, but as I have stated, the clean bill was almost shoved down the throats of any opposition.

Sixth. Existing State and local governmental agencies, which normally administer Federal-aid programs, will be bypassed by the creation of the Appalachian Regional Commission and local development districts which will develop, initiate, and administer programs under this bill.

Seventh. By providing that decisions of the Appalachian Regional Commission shall require the affirmative vote of the Federal member as well as a majority of State members, the Federal Government is given absolute veto authority over all State and local proposals, in addition to the approval authority that may be vested in the Federal agency administering a particular project or program.

Eighth. The highway program contained in the bill is particularly discriminatory against other portions of the country, for it authorizes an additional highway program for portions of only nine States which is almost as large as the annual program for construction of Federal-aid highways, both primary and secondary, and their urban extensions in all of the 50 States. The highways to be constructed under the bill are not required to be made parts of any Federal-aid highway system and are not subject to continuing Federal surveillance for preservation of the Federal investment in such highway.

Ninth. It is inconceivable that 80 percent grants should be made for development of pasture lands in Appalachia to increase beef production at a time when there is an overproduction of beef in the country and when the Government is paying farmers to take other and more productive land out of production.

Tenth. Federal subsidizing of timber development organizations through technical assistance and loans can undermine the existing timber industry and place it in an unfavorable competi-

tive position, to the ultimate detriment of the Appalachian region and other areas of the Nation.

Eleventh. Private owners of lands and mineral rights will be unjustly enriched at the expense of all the taxpayers of the country by the restoration and improvement of mining areas with no requirements that such owners bear any part of the cost.

Twelfth. Direction to the Secretary of the Army to prepare a comprehensive plan for development and utilization of water and related resources of the Appalachian region would seriously jeopardize the existing Tennessee Valley Authority jurisdiction and could allow for the possible development of public power.

Thirteenth. The discredited and ineffectual Public Works Acceleration Act program would, in effect, be continued by authorizing 80-percent Federal grants for all existing Federal grant-in-aid programs for the construction of equipment of facilities in the Appalachian region irrespective of whether the particular area meets the depressed or labor surplus eligibility requirements of the Public Works Acceleration Act.

The Appalachian bill undertakes to enlarge or initiate programs and services which should be undertaken by the State and local governments or private initiative. As I have stated, those sections of the legislation which might be considered Federal prerogatives are, for the most part, wholly inconsistent with existing services or duplicatory of those existing services.

This legislation is part of the administration's war on poverty package, but yet there is not one section in this bill which would directly benefit someone in abject poverty. The bill provides for highways, health facilities, vocational educational facilities, timber organizations, water resources surveys, mine area restorations, sewage treatment works, and so forth. It is my contention that someone who is in hunger is more interested in food than in facilities or programs as provided for in this legislation.

We are told that there is serious unemployment in Appalachia, and there is no doubt that unemployment does exist there; but there are mining areas in Michigan, Minnesota, and Utah which are suffering from equally high if not higher unemployment resulting from mine closures. Fifteen percent of the counties in Appalachia, as defined by the bill, are sufficiently prosperous to have never been eligible for grants under the Public Works Acceleration Act. An additional 5 percent of the Appalachian counties which were once eligible for grants under the above act are no longer eligible.

The number of counties in the region which do not have labor surpluses is indeed interesting. It provokes considerable concern over the coverage of an entire region of this Nation by blanket authority. The percent of counties with labor surpluses of those counties in Appalachia are very low in some instances. About 40 percent of all counties in Appalachia do not have labor surpluses.

The following table illustrates this contention:

Percentage of counties in the Appalachian area which have labor surpluses

State	Number of counties in region	Number of counties in region with labor surpluses	Percent of counties with labor surpluses ¹
Alabama.....	32	14	46
Georgia.....	35	13	33
Kentucky.....	49	28	56
Maryland.....	3	3	100
North Carolina.....	29	10	34
Ohio.....	24	16	67
Pennsylvania.....	52	46	88
Tennessee.....	49	28	56
South Carolina.....	6	1	17
Virginia.....	21	6	29
West Virginia.....	55	47	87

¹ Percent of counties with labor surpluses of those counties in the Appalachian region as defined by H.R. 11946.

The economic situation in the Appalachia region has been a subject of controversy since the closing hours of the Civil War, but recent economic recovery in this area has been substantial, and the day of the so-called do-gooder in regard to this area is hopefully gone forever. We must base our outlook on this region upon realities, and not upon myths which have crept back once again out of the 1880's and 1930's. The value of private building contracts for industrial plants in West Virginia was about 4.7 percent of the national total for such contracts during 1963—a significant figure considering the State has only 1 percent of the Nation's population. One of the counties in the Appalachian region in South Carolina has the highest average per capita income of any county in the State, and although no counties in the Appalachian region in South Carolina were eligible for assistance under the Area Redevelopment Act, only one was eligible for assistance under the Public Works Acceleration Act. All 49 counties included as Appalachia in Tennessee are in fact in the Tennessee Valley area. This is also a significant fact considering the economic improvements that the TVA has fostered in this region. Substantial portions of other States in Appalachia also lie within the boundaries established for the TVA. According to testimony before the subcommittee by the representative from Gov. John Rhodes, of Ohio, the counties of southern Ohio in Appalachia have a considerably higher average family income than the figure stated in the President's Appalachian Region Commission Report for the average in Appalachia. These vital facts go on and on. It looks to me like it would be exceedingly difficult for proponents of this bill from other sections of this country to justify the Federal Government acting, in addition to the Appalachian area and its inhabitants, on behalf of 39 other States and approximately 173 million other people outside of Appalachia, expending large sums of money on this one regional approach and denying similar funds for other lagging sections of the Nation.

The PARC report sets forth selected statistics which purport to show that the Appalachian region is lagging in eco-

nomie development and is in need of special assistance from the Federal Government through massive new programs or duplicatory ones. This report was submitted to the Congress during the spring of 1964, but the statistics cited are almost entirely from 1960 and earlier years. Later statistics were not utilized. The statistics from 1960 and those from 1963 are very different. As so many people testified before the subcommittee, this region has experienced a renewal of economic activity during the past 4 years, and the prospects for the future look encouraging. The 1963 statistics reveal that fact—the 1960 ones do not. The report compares Appalachia to the national average—which is influenced by prosperous regions—instead of comparing Appalachia to other economically depressed areas such as the Great Lakes iron ore region, the Ozarks Mountain region, the Utah mining section, and so forth. The statistics are largely in terms of dollars and percentages, and do not consider other important items such as cost of living, property ownership, savings, credit, and so forth. Congress must satisfy itself, first, that the region is in desperate need of our Federal assistance; second, that it is severely suffering from economic depression—more so than other depressed areas; and third, that the State and local governments with private actions also included cannot handle the problems through their own initiative and financial resources, before it enacts this legislation.

A proposal to eliminate poverty is an attractive objective from a humane as well as a political objective. But in the interests of the people of Appalachia and the people of this Nation, this proposal must be examined with scrutiny to assure that it will actually be beneficial to the people who need the assistance, rather than merely aiding politicians in Washington, D.C.

The administration has spotlighted the plight of some of our allegedly less fortunate neighbors in one part of the country, and then raced about madly in all directions, even on Capitol Hill, ballyhooing a hastily drawn and ill-prepared Federal concept for eliminating poverty. This bill should not be entitled the Appalachian Regional Development Act of 1964, but rather the Politics and Poverty Misact of 1964.

RESTRICT THE IMPORTATION OF BEEF, VEAL, LAMB, AND MUTTON NOW

Mr. OLSEN of Montana. Mr. Speaker, I have introduced into the House today a resolution, House Resolution 812, that the House concur and agree to the Senate version of H.R. 1839 to restrict the importation of beef, veal, lamb, and mutton.

Many months ago I introduced a bill, H.R. 10082, in the House for the same purpose. Many other Members of the House did the same; however, the subject has never been brought up for hearing at this late date. The fastest and only method of legislative assistance for the

cattlemen is for the House to pass my resolution. This would limit meat imports in general to the average for the 5-year period ending on December 31, 1963. It would assign strict quotas to beef-producing nations, setting an import ceiling 30 percent below last year's nonrestrictive quota.

The cattle industry is today one of the most significant elements in the American agricultural economy. For example, \$1 of every \$5 received from sales of agricultural products is derived from calves and cattle. Moreover, 80 percent of the U.S. corn crop and 70 percent of all harvested crops are consumed by American stock; and, of course, the beef industry indirectly affects the entire economy, from the large implement manufacturers to small local businesses.

The Senate passage of H.R. 1839 to restrict the importation of beef, veal, lamb, and mutton challenges the House of Representatives to respond in like manner to the problems facing American stockmen.

The establishment of import quotas will not, of course, completely solve the price dilemma which faces cattlemen. Yet imports add significantly to the low price problem; and the setting up of quotas would make a meaningful contribution to improving the outlook for the U.S. agricultural economy. A very few years ago, the beef imports constituted only from 2 percent to 4 percent of the total market. In 1963 the figure was over 11 percent. Such an increase must inevitably affect the domestic cattle raisers to a large degree. Furthermore, this great rise in imports occurred at a critical time when there was an increase in domestic production, thus aggravating an already adverse situation. American stockmen are certainly prepared to accept and deal with the normal cyclical fluctuations in the domestic beef market, but a new element has complicated their problems. It must be remembered that prior to 1958 the U.S. beef and cattle markets were, in effect, protected. The modification of the United Kingdom-Australian meat agreement in that year released a flood of Australian beef exports. The maintenance and increase of western European trade barriers has helped to concentrate this Australian increase on the already unstable beef market in the United States. American stockmen have suffered because of the actions of the United Kingdom in encouraging its own cattle industry. In my own State of Montana, a recent study shows that our State lost nearly \$4 million in 1963 alone because of imports of beef and veal. How long can we allow this situation to exist?

It has been charged that congressional legislation of quotas would impair the position of the executive division of our Government in its negotiations in Geneva for a lowering of trade barriers. Yet this position is indeed open to question. While the United States provides fewer restrictions and higher prices than the other nations importing large quantities of meat, both Australia and New Zealand effectively prohibit importation of most

meats. In view of this, it would seem that a firm, resolute stand by the Congress of the United States would strengthen the American trade position, since it would show U.S. desire to rectify unfair and unbalanced trade situations. American negotiators in Geneva would be able to reach more equitable agreements if they were able to bargain on the basis of a clear statement of concern for domestic industries by the elected Representatives of the American people.

It has also been stated that establishment of beef import quotas would damage our relations with our allies, particularly Australia and New Zealand. This charge also seems questionable. We must remember that Germany recently increased tremendously their tariff on frozen chickens without damaging the United States-German alliance; and, as pointed out before, both Australia and New Zealand restrict importations of meats. The proposed American quota on beef is certainly a modest measure. Between allies a certain flexibility, a certain give and take is part of the normal course of relations. This import bill certainly falls in this category.

But one of the most important considerations which calls for passage of this bill lies in the prospects for the future of American stockmen. As the statements of cattle producers from all over the United States clearly indicate, the beef industry and related industries are deeply concerned over what seems to be a lack of interest and understanding by their elected Representatives. The future of cattle prices is uncertain and stockmen know it. A Department of Agriculture study indicates that domestic problems will continue for some time. Furthermore, the current lull in imports cannot be expected to continue indefinitely. When the present beef shortage on the world market ceases, foreign meats may flood America in greater quantities than ever before. The volun-

tary agreements thus far concluded do not really meet this situation—by 1966 Ireland, Australia, and New Zealand will be able to ship more beef into the United States than they did even in 1963.

For all these reasons, I am urging the House to support my resolution, House Resolution 812. I have written the Committee on Rules and requested early hearings and favorable consideration.

GOVERNMENT EMPLOYEES SALARY REFORM ACT OF 1964

Mr. MURRAY submitted the following conference report and statement on the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 1647)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Government Employees Salary Reform Act of 1964.'"

"TITLE I—FEDERAL EMPLOYEES SALARY SYSTEMS"

"Short title"

"SEC. 101. This title may be cited as the 'Federal Employees Salary Act of 1964'."

"Classification Act employees"

"SEC. 102. (a) Section 603(b) of the Classification Act of 1949, as amended (76 Stat. 843; 5 U.S.C. 1113(b)), is amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

"Grade"	Per annum rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,385	\$3,500	\$3,615	\$3,730	\$3,845	\$3,960	\$4,075	\$4,190	\$4,305	\$4,420
GS-2.....	3,680	3,805	3,930	4,055	4,180	4,305	4,430	4,555	4,680	4,805
GS-3.....	4,005	4,140	4,275	4,410	4,545	4,680	4,815	4,950	5,085	5,220
GS-4.....	4,480	4,630	4,780	4,930	5,080	5,230	5,380	5,530	5,680	5,830
GS-5.....	5,000	5,165	5,330	5,495	5,660	5,825	5,990	6,155	6,320	6,485
GS-6.....	5,505	5,690	5,875	6,060	6,245	6,430	6,615	6,800	6,985	7,170
GS-7.....	6,050	6,250	6,450	6,650	6,850	7,050	7,250	7,450	7,650	7,850
GS-8.....	6,630	6,850	7,070	7,290	7,510	7,730	7,950	8,170	8,390	8,610
GS-9.....	7,220	7,465	7,710	7,955	8,200	8,445	8,690	8,935	9,180	9,425
GS-10.....	7,900	8,170	8,440	8,710	8,980	9,250	9,520	9,790	10,060	10,330
GS-11.....	8,650	8,945	9,240	9,535	9,830	10,125	10,420	10,715	11,010	11,305
GS-12.....	10,250	10,605	10,960	11,315	11,670	12,025	12,380	12,735	13,090	13,445
GS-13.....	12,075	12,495	12,915	13,335	13,755	14,175	14,595	15,015	15,435	15,855
GS-14.....	14,170	14,660	15,150	15,640	16,130	16,620	17,110	17,600	18,090	18,580
GS-15.....	16,460	17,030	17,600	18,170	18,740	19,310	19,880	20,450	21,020	21,590
GS-16.....	18,935	19,590	20,245	20,900	21,555	22,210	22,865	23,520	24,175	-----
GS-17.....	21,445	22,195	22,945	23,695	24,445	-----	-----	-----	-----	-----
GS-18.....	24,500	-----	-----	-----	-----	-----	-----	-----	-----	-----

"(b) Except as provided in subsection (d) of section 504 of the Federal Salary Reform Act of 1962, the rates of basic compensation of officers and employees to whom the compensation schedule set forth in subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one

of the rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic

compensation at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic compensation if such existing rate is higher.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b)(4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of compensation determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of compensation equal to the sum of his existing aggregate rate of compensation, on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate compensation at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this paragraph, the amount of the increase provided by this section shall be held and considered for the purpose of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of compensation of the employee.

"(5) If the officer or employee is in a position in grade 16 or 17 of the General Schedule of the Classification Act of 1949, as amended, to which he was promoted on or after the first day of his first pay period beginning on or after January 1, 1964, and if he held such position, or another position in the same grade, on the effective date of this section, his rate of basic compensation shall be adjusted, as of such effective date, to that rate of basic compensation to which he would have been entitled if the compensation schedule in subsection (a) of this section had been in effect on the date of his promotion.

"(6) If the officer or employees, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this Act, was promoted from one grade under the Classification Act of 1949, as amended, to another such grade at a rate which is above the minimum rate thereof, his rate of basic compensation shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the step of the grade of the General Schedule for such officer or employee which was in effect (without regard to this Act) at the time of such promotion.

"SEC. 103. (a) Section 801 of the Classification Act of 1949 (5 U.S.C. 1131), relating to new appointments, is amended to read as follows:

"SEC. 801. All new appointments shall be made at the minimum rate of the appropriate grade, except that in accordance with regulations prescribed by the Commission which provide for such considerations as the candidate's existing salary, unusually high or unique qualifications, or a special need of the Government for his services, the head of

any department may, with the approval of the Commission in each specific case, appoint individuals to positions in grade 13 and above of the General Schedule at such rate or rates above the minimum rate of the appropriate grade as the Commission may authorize for this purpose. The approval of the Commission in each specific case shall not be required with respect to appointments made by the Librarian of Congress."

"(b) Section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), relating to the limitation on numbers of positions in grades 16, 17, and 18 of the General Schedule of such Act, is amended by inserting '(i)' immediately following the words 'in addition to', and by inserting immediately following the words 'which may be placed in such grades' a comma and the following: 'and (ii) two hundred and forty examiner positions under section 11 of the Administrative Procedure Act (60 Stat. 244; 5 U.S.C. 1010) which may be placed in grade 16 and nine such positions which may be placed in grade 17'.

"(c) Section 604(d)(3) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 944(c)(3)), is amended to read as follows:

"(3) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent."

"Postal field service employees

"SEC. 104. Section 1 of title 39, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof a semicolon and the following:

"'revenue unit' means that amount of revenue of a post office from mail and special service transactions which is equal to the average sum of postal rates and fees received by the Department during the fiscal year for 1,000 pieces of originating mail and special service transactions determined in accordance with section 2331 of this title'.

"SEC. 105. Section 702 of title 39, United States Code, is amended to read as follows:

"§ 702. Classes of post offices

"(a) Effective at the beginning of each fiscal year the Postmaster General shall divide post offices into four classes on the basis of the revenue units of each office for the second preceding fiscal year. He shall place in the first class those post offices having 950 or more revenue units. He shall place in the second class those post offices having 190 or more revenue units, but fewer than 950 revenue units. He shall place in the third class those post offices having 36 or more revenue units, but fewer than 190 revenue units. He shall place in the fourth class those post offices having fewer than 36 revenue units.

"(b) The Postmaster General shall exclude from the revenue credited to a post office for the purposes of this section money received at that office for—

"(1) setting meters for patrons beyond the area served by the office unless authorized by the Department;

"(2) stamps, stamped envelopes, and postal cards sold in large or unusual quantities to be used in mailing matter at other offices; and

"(3) stamps, stamped envelopes, and postal cards sold for mailing matter diverted from other offices and mailing of matter so diverted without stamps affixed.

"(c) Whenever unusual conditions prevail at a post office of the fourth class, the Postmaster General may advance such office to the appropriate class based on his estimate of the number of revenue units which the office will have during the succeeding twelve months. Any office so advanced need not be relegated to a lower class before the end of the second fiscal year after the advancement. At that time, the office shall be assigned to the appropriate class in accord-

ance with subsections (a) and (b) of this section."

"SEC. 106. Section 704 of title 39, United States Code, is amended by deleting 'of the first, second, or third class' appearing therein, and inserting in lieu thereof '(other than one for which the postmaster furnishes quarters, equipment, and fixtures on an allowance basis)'.

"SEC. 107. Subsection (b)(1) of section 2102 of title 39, United States Code, is amended to read as follows:

"(1) for post offices at which the postmaster does not furnish quarters on an allowance basis;".

"SEC. 108. (a) Section 3501 of title 39, United States Code, is amended by inserting a new subsection (c) following subsection (b) as follows:

"(c) The Postmaster General shall determine and, effective at the beginning of the first pay period in each calendar year, shall adjust the rankings of all positions for which the number of annual revenue units of a post office or its class is a relevant factor of the ranking, using the revenue units of the preceding fiscal year and the class in which the office will be placed at the beginning of the next fiscal year. The Postmaster General also may adjust rankings of such positions at other times of the year based upon substantial changes in service conditions."

"(b) Chapter 45 of title 39, United States Code, is amended as follows:

"(1) In subsection (c) of section 3513—

"(A) Change the catchline to read 'POST OFFICE CLERK. (KP-4)'; and

"(B) Add the following new sentence to the end of paragraph (1): 'This office has fewer than 190 revenue units annually'.

"(2) In subsection (e) of section 3516—

"(A) Change the catchline to read 'POSTMASTER. (KP-18)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately \$1,700' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 40 revenue units annually'.

"(3) In subsection (b) of section 3517—

"(A) Change the catchline to read 'POSTMASTER. (KP-20)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately \$4,700' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 110 revenue units annually'.

"(4) In subsection (b) of section 3518—

"(A) Change the catchline to read 'POSTMASTER. (KP-22)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately \$6,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 140 revenue units annually'.

"(5) In subsection (b) of section 3519—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-24)'; and

"(B) Delete 'annual receipts of approximately \$63,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 1,490 revenue units annually'.

"(6) In subsection (c) of section 3519—

"(A) Change of catchline to read 'POSTMASTER. (KP-25)';

"(B) Delete 'second class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately \$16,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 380 revenue units annually'.

"(7) In subsection (b) of section 3520—

"(A) Change the catchline to read 'POSTMASTER. (KP-27)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

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OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS: Both Houses agreed to conference report on pay bill. Rep. Martin objected to sending meat-import bill to conference.

HOUSE

1. PAY. Both Houses agreed to the conference report on H. R. 11049, the Federal pay bill. This bill will now be sent to the President. pp. 17316-20, 17437-42
2. DEFENSE APPROPRIATION BILL, 1965. Both Houses agreed to the conference report on this bill, H. R. 10939. This bill will now be sent to the President. pp. 17308-16, 17445-7
3. MEAT IMPORTS. Rep. Martin, Neb., objected to Rep. Mill's request to send to conference H. R. 1839, to impose quotas on the importation of meat and meat

products. p. 17316

Rep. Short inserted an editorial, "Meat Quotas by Stealth?", and called it "a most unfair and erroneous commentary on the sincere efforts of the livestock industry to obtain some relief from rapidly increasing meat imports." p. 17333

Rep. Battin discussed "the apparent indifference of the Johnson administration toward the continuing threat posed by foreign beef imports to our economy." p. 17360

4. AREA REDEVELOPMENT. Rep. Talcott criticized ARA's operation and management and inserted a synopsis of six ARA projects in various areas. pp. 17359-60

Rep. Widnall criticized S. 1163, the ARA bill, and urged the Rules Committee to refuse a rule on this bill. p. 17359

5. POVERTY. Rep. Cleveland inserted an editorial criticizing the poverty bill, stating that "there is too little time to give this bill the close study it deserves." p. 17360-61

Rep. Multer spoke on the political aspects of the poverty program. p. 17362

6. ALASKA. The Judiciary Committee voted to report (but did not actually report) with amendment S. 49, to provide for the establishment of the Alaska Centennial Commission. p. D636-7

The "Daily Digest" states that conferees agreed to file a conference report on S. 2881, the Alaska relief bill. p. D637

7. FISH AND WILDLIFE. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) S. 1363, to increase the participation by counties in revenues from the National Wildlife Refuge System; and H. R. 2392, with amendment, to authorize the Secretary of the Interior to initiate a program for the conservation, development, and enhancement of the Nation's anadromous fish in cooperation with the States. p. D637

SENATE

8. RECREATION. The Interior and Insular Affairs Committee reported with amendment S. 1365, to establish the Fire Island National Seashore (S. Rept. 1300), and S. 2048, to provide for establishment of the Big Horn Canyon National Recreation Area (S. Rept. 1301). p. 17373

9. RIVER BASIN. The Interior and Insular Affairs Committee reported without amendment H. R. 952, to increase the authorization for continuing Interior Department work in the Missouri River Basin (S. Rept. 1302). p. 17373

10. LAND-GRANT COLLEGES; FOREIGN AID. Sen. Long, Mo., praised the contribution of the land-grant colleges and inserted an article by Elmer Ellis, "The Land-Grant College International Rural Development." pp. 17388-90

11. MEAT IMPORTS; LIVESTOCK PRICES. Sen. Lausche inserted a Farm Bureau statement blaming the Agriculture and State Departments for reduced livestock and meat prices, especially favoring restrictions on meat imports. p. 17390

12. WILDERNESS. Senate conferees were appointed on S. 4, the wilderness bill. House conferees have not yet been appointed. pp. 17430-2

13. WATERSHEDS; BUILDINGS. Sen. McNamara inserted a list of projects approved by the Public Works Committee pursuant to the Watershed Protection and Flood Prevention Act and the Public Buildings Act of 1959. pp. 17442-5

Mr. WYMAN. Mr. Speaker, I appreciate what the gentleman has said, but I would like to support a carefully written legislative standard. It seems to me that the standard here is altogether too general and leaves everything up to Mr. McNamara. There is no need for this looseness, particularly in view of the Secretary's manifest attitude toward public yards.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield to me?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, in my opinion this is the death knell of the Government-owned shipyards. I have the Boston Navy Shipyard in my district. I have seen it go down from 11,000 to about 8,000. Here is a shipyard that is important. It is closest to the Atlantic Ocean and closest to Europe. An amendment of this type is indeed bad for the morale of the entire yard.

I hope the House will vote no in favor of the Federal shipyards.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from New York [Mr. CELLER], and the gentleman from South Carolina [Mr. RIVERS].

Mr. Speaker, I have always opposed the so-called 65/35 formula here under discussion, because it sets up an inflexible situation to the detriment of our Navy. The Senate amendment which we are now being asked to accept sets up an even more intolerable situation than that which was provided under the original House version. The Senate amendment provides that "at least 35 percentum" of the funds appropriated for the repair, alteration and conversion of naval vessels shall be allocated to privately owned shipyards. This means that the private shipyards are guaranteed a minimum allocation of 35 percent of all repair, alteration and conversion jobs, while the naval shipyards are without any guarantee. If we adopt the Senate amendment, we would be making it legally possible for the Secretary of Defense to allocate 100 percent of all repair, alteration and conversion work to private shipyards.

It appears that the private shipyard owners are no longer satisfied with 35 percent of the jobs, and its powerful lobby is flexing its muscles for a complete takeover. Concededly, private enterprise ought to be given its fair share of Government contracts, and I am not opposed to private enterprise. But where our Navy is concerned, our primary consideration should be directed toward what is best for our own national defense and security. Our Navy should not be saddled with inflexibility of the Senate amendment. Repair, alteration, or conversion of its vessels should be allowed wherever it can be done most efficiently and expeditiously, for the Navy is undeniably an emergency arm of our Nation which must be kept in constant readiness, if it is to be kept at all.

The incident only a few days ago in the Gulf of Tonkin in which the destroyer

U.S.S. *Maddox* was the intended victim of an unannounced sneak attack illustrates this truth with dramatic force. The attack on the *Maddox* should serve to remind us that warfare invariably starts without any warning. Those of us who were in Hawaii when Pearl Harbor was bombed have not forgotten this. Let us be reminded by the *Maddox* incident that if it had not been for the efficient, dedicated team of Federal workers at the Pearl Harbor Naval Shipyard, our Navy would never have made the amazing recovery in the short time that it did. If our Navy is to be kept at all, it must be maintained at a level where it can meet any and all emergencies at any time. This it cannot do without a dependable, ever-ready crew of well trained, highly experienced repairmen at a readily accessible shipyard. Maintenance of our naval shipyards, such as the one at Pearl Harbor, therefore, must be considered as part and parcel of our Navy. To detract from this proposition is to weaken our Navy and endanger our own national security. The Senate amendment tends to do this and should be defeated.

(Mr. MATSUNAGA asked and was given permission to revise and extend his remarks.)

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Speaker, I would like to make the point that the language in this conference report differs in no substantial way from the language already adopted by the House of Representatives in the original House bill; is that correct?

Mr. MAHON. The gentleman is correct. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 78, noes 84.

Mr. MAHON. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Speaker appointed as tellers Mr. MAHON and Mr. RIVERS of South Carolina.

The House again divided, and the tellers reported that there were—ayes 95, noes 101.

Mr. MAHON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 186, nays 178, not voting 67, as follows:

[Roll No. 201]

YEAS—186

Abele	Bolton,	Burke
Abernethy	Frances P.	Burleson
Anderson	Bolton,	Burton, Utah
Andrews, Ala.	Oliver P.	Byrnes, Wis.
Andrews,	Bonner	Cahill
N. Dak.	Bow	Casey
Arends	Brademas	Cederberg
Ashbrook	Bray	Chamberlain
Ayres	Brock	Chelf
Baker	Bromwell	Chenoweth
Becker	Brooks	Clancy
Beermann	Broomfield	Cohelan
Belcher	Brotzman	Collier
Bell	Brown, Ohio	Colmer
Bennett, Fla.	Broyhill, N.C.	Conte
Berry	Broyhill, Va.	Corbett
Betts	Bruce	Cramer

Cunningham	Johansen	Poff
Denton	Jonas	Quie
Derwinski	Kastenmeier	Quillen
Devine	Keith	Reid, Ill.
Dole	Kilgore	Reifel
Dowdy	King, Calif.	Rhodes, Ariz.
Duncan	Kirwan	Rich
Dwyer	Knox	Roberts, Tex.
Edmondson	Kornegay	Rogers, Fla.
Fallon	Kunkel	Rogers, Tex.
Fascell	Kyi	Roudebush
Feighan	Laird	Roush
Findley	Langen	St. Germain
Flynt	Latta	St. Onge
Fogarty	Lipscomb	Schadeberg
Ford	Long, Md.	Short
Foreman	McCloskey	Sibal
Fountain	McClure	Sickles
Frelinghuysen	McCulloch	Sikes
Fulton, Pa.	McLuskey	Siler
Fuqua	MacGregor	Smith, Calif.
Gary	Mahon	Smith, Iowa
Gialmo	Martin, Calif.	Snyder
Gibbons	Martin, Nebr.	Springer
Glenn	Mathias	Stafford
Goodell	Matthews	Steed
Goodling	May	Stinson
Grabowski	Meader	Stubblefield
Green, Oreg.	Michel	Taft
Griffin	Miller, Calif.	Talcott
Griffiths	Miller	Teague, Calif.
Gross	Minshall	Teague, Tex.
Gurney	Monagan	Thomas
Hagen, Calif.	Moore	Thompson, Tex.
Hall	Morris	Thomson, Wis.
Halleck	Morton	Tuck
Hansen	Mosher	Udall
Harrison	Natcher	Ullman
Harsha	Nelsen	Utt
Harvey, Ind.	O'Konski	Van Pelt
Hechler	Ostertag	Westland
Hoeven	Patman	White
Horan	Pelly	Whitten
Hutchinson	Perkins	Williams
Jarman	Pickle	Wilson, Ind.
Jensen	Pillion	Wright
	Poage	

NAYS—178

Abbitt	Hagan, Ga.	Olson, Minn.
Addabbo	Haley	O'Neill
Ashmore	Halpern	Osmers
Aspinall	Hanna	Patten
Auchincloss	Harding	Pepper
Baldwin	Hardy	Philbin
Barrett	Harris	Pike
Barry	Hawkins	Plicher
Bates	Hays	Pirnie
Blatnik	Henderson	Price
Boiland	Hollifield	Pucinski
Brown, Calif.	Horton	Reid, N.Y.
Burkhalter	Hosmer	Reuss
Burton, Calif.	Huddleston	Rhodes, Pa.
Byrne, Pa.	Jennings	Rivers, Alaska
Cameron	Joelson	Rivers, S.C.
Carey	Johnson, Calif.	Robison
Celler	Johnson, Pa.	Rodino
Clark	Johnson, Wis.	Rogers, Colo.
Clausen,	Jones, Ala.	Rooney, N.Y.
Don H.	Karth	Rooney, Pa.
Clawson, Del	Kelly	Roosevelt
Cleveland	Keogh	Rosenthal
Cooley	King, N.Y.	Rostenkowski
Corman	Kluczynski	Roybal
Curtin	Leggett	Ryan, N.Y.
Daddario	Libonati	St. George
Dague	Lindsay	Saylor
Daniels	Long, La.	Schenck
Davis, Ga.	McDade	Schneebell
Dawson	McDowell	Schweiker
Delaney	McFall	Secrest
Dent	McIntire	Selden
Derounian	McMillan	Senner
Donohue	Macdonald	Sisk
Dorn	Madden	Slack
Downing	Mailhard	Smith, Va.
Dulski	Marsh	Staggers
Edwards	Martin, Mass.	Stephens
Elliott	Matsunaga	Stratton
Everett	Miniken	Sullivan
Farbstein	Minish	Taylor
Fino	Montoya	Thompson, N.J.
Fisher	Moorhead	Tollefson
Flood	Morgan	Trimble
Fraser	Morrison	Tupper
Gallagher	Morse	Tuten
Gathings	Moss	Van Deerlin
Gilbert	Multer	Vanik
Gill	Murphy, Ill.	Vinson
Gonzalez	Murphy, N.Y.	Waggonner
Grant	Murray	Watson
Gray	O'Brien, N.Y.	Watts
Green, Pa.	O'Hara, Ill.	Weitner
Grover	O'Hara, Mich.	Whalley
Gubser	Olsen, Mont.	Wharton

Whitener
Wickersham
Widnall
Willis

Wilson,
Charles H.
Winstead
Wydler

Wyman
Young
Younger
Zablocki

NOT VOTING—67

Adair
Albert
Alger
Ashley
Avery
Baring
Bass
Battin
Beckworth
Bennett, Mich.
Boggs
Bolling
Buckley
Curtis
Davis, Tenn.
Diggs
Dingell
Ellsworth
Evins
Finnegan
Forrester
Friedel
Fulton, Tenn.

Garmatz
Harvey, Mich.
Healey
Hébert
Herlong
Hoffman
Holland
Hull
Ichord
Jones, Mo.
Karsten
Kee
Kilburn
Landrum
Lankford
Lennon
Lesinski
Lloyd
Miller, N.Y.
Nedzi
Nix
Norblad
Passman

Pool
Powell
Purcell
Rains
Randall
Riehlman
Roberts, Ala.
Rumsfeld
Ryan, Mich.
Schwengel
Scott
Sheppard
Shipley
Shriver
Skubitz
Staebler
Thompson, La.
Toll
Wallhauser
Weaver
Wilson, Bob

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Shipley for, with Mr. Hébert against.
Mr. Garmatz for, with Mr. Toll against.
Mr. Lankford for, with Mr. Nix against.
Mr. Scott for, with Mr. Karsten against.
Mr. Beckworth for, with Mr. Buckley against.

Mr. Friedel for, with Mr. Powell against.
Mr. Alger for, with Mr. Riehlman against.
Mr. Adair for, with Mr. Weaver against.
Mr. Ellsworth for, with Mr. Wallhauser against.

Mr. Schwengel for, with Mrs. Kee against.
Mr. Shriver for, with Mr. Healey against.
Mr. Skubitz for, with Mr. Sheppard against.
Mr. Battin for, with Mr. Finnegan against.
Mr. Rumsfeld for, with Mr. Ashley against.

Until further notice:

Mr. Albert with Mr. Avery.
Mr. Hull with Mr. Kilburn.
Mr. Ichord with Mr. Bennett of Michigan.
Mr. Evins with Mr. Bob Wilson.
Mr. Roberts of Alabama with Mr. Norblad.
Mr. Rains with Mr. Curtis.
Mr. Thompson of Louisiana with Mr. Harvey of Michigan.
Mr. Randall with Mr. Dingell.
Mr. Passman with Mr. Lesinski.
Mr. Lennon with Mr. Baring.
Mr. Holland with Mr. Diggs.
Mr. Pool with Mr. Ryan of Michigan.
Mr. Boggs with Mr. Bass.
Mr. Forrester with Mr. Davis of Tennessee.
Mr. Herlong with Mr. Staebler.
Mr. Fulton of Tennessee with Mr. Nedzi.
Mr. Purcell with Mr. Landrum.

Mr. COOLEY changed his vote from "yea" to "nay."

Mr. AYRES changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that Members speaking on the conference report and the motion just agreed to be permitted to extend their remarks thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON RULES

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain privileged resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

TO AMEND THE TARIFF ACT OF 1930, FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, with a Senate amendment thereto, disagree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MARTIN of Nebraska. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

GOVERNMENT EMPLOYEES SALARY REFORM ACT OF 1964

Mr. MURRAY. Mr. Speaker, I call up the conference report on the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 3, 1964.)

Mr. MURRAY. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. CORBETT], and pending that I yield myself such time as I may require.

Mr. Speaker, H.R. 11049, an act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, passed the House on June 12, 1964, and was amended in the other body.

The committee of conference on the disagreeing votes of the two Houses recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment.

The conference substitute fully effects the purposes of the House bill. These purposes are first, to comply partially with the mandate, laid down by the Congress in Public Law 87-793, that postal and other Federal career employees shall be paid salaries comparable to salaries paid workers in private enterprise for

comparable levels of responsibility, skill, and performance, and second, to partially remedy the serious inadequacies in the Federal executive, congressional, and judicial salary structure. The conference report is unanimous and is signed by all conferees on the part of the House and on the part of the Senate. I hope the conference report will be approved.

The conference substitute grants postal and other career employees salary increases as provided in the House bill, but corrects an inequity with respect to the salaries of employees in the middle salary grades. It guarantees a minimum 3-percent increase for grades GS-9 through GS-12 of the Classification Act, whereas increases in these grades were as low as 1.6 percent in the House bill. A similar minimum will apply with respect to two salary increases for other categories of employees covered by the bill.

The conference substitute also provides a new salary scale for postmasters in fourth-class post offices granting increases for these postmasters which are more in line with increases for other employees than provided by the House bill. These postmasters will receive increases ranging from 10 percent in the highest group of offices to 15 percent in the lower levels.

The conference substitute extends to all levels of postal field service employees annual step increases through the first seven automatic salary steps, whereas under present law only those postal employees in the lowest six salary levels receive such annual increases. The House bill would have continued the existing automatic step increase provisions—that is, they would have been limited to the first six salary levels.

Other changes made by the conference substitute in the House bill include, first, a requirement for Civil Service Commission approval of any proposed new appointment to a Classification Act position at higher than the initial salary step; second, omission of the exemption from certain limitations of the Classification Act for supergrade positions concerned with research and development in the physical and natural sciences and medicine; third, the fixing of a maximum limitation of 249 hearing examiner positions at grades 16 and 17 which are exempt from the existing aggregate numerical limitation on all supergrade position; and fourth, the inclusion of a provision of the Senate amendment increasing the allowance to former Presidents for staff salaries by \$15,000.

The conference substitute contains the provisions of the House bill for adjustment of salary rates of House officers and employees, and adds the provisions of the Senate amendment providing salary adjustments for Senate officers and employees.

The conference substitute provides a salary for the Assistant Comptroller General of the United States of \$28,500, the same as the salary for executive salary level III in the Senate amendment and the conference substitute. The House bill provided a salary of \$29,000 for such executive level III and for the Assistant Comptroller General.

Mr. GROSS. Mr. Chairman, I think all the Members ought to hear this argument. I make the point of order that a quorum is not present.

Mr. LINDSAY addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. REUSS. Mr. Chairman, I support H.R. 6773 and commend the gentleman from Arkansas and the members of his committee for reporting legislation to assure further protection for investors and to strengthen the foundation for a continued sound expansion of the securities markets. In acting on this legislation, we owe a deep vote of thanks to Chairman William L. Cary of the Securities and Exchange Commission. Through his active leadership, a comprehensive and truly monumental study, covering every major aspect of the immense and intricate securities markets, has been completed. This study has not only served as an essential basis for the bill now before us. It provides basic information both for continuing consideration by Congress and for improvements to be undertaken by self-regulatory agencies governing the markets. These improvements, whether by voluntary or public action, are essential to safeguard the interests of millions of investors, many of whom are venturing into the market for the first time, particularly as they place their funds in the rapidly developing but less well-regulated over-the-counter markets.

Chairman Cary's initiative in undertaking the study should be reassuring to the public in another important respect. The study was carried out by a most impressive assemblage of expert talent. Much of the excellence of the study is due to the confidence which his special staff inspired among the officers of the exchanges, the securities dealers, investment bankers, and others whose activities were affected. The public can be assured that the high standards for investor protection established under the pioneering Securities Act of 1933 and the Securities Exchange Act of 1934 still govern under the greatly different circumstances of 1964.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. ALBERT, having assumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6793) to amend the Securities Act of 1933, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes, had come to no resolution thereon.

RELIEF FROM IMPORTS OF BEEF

(Mr. SHORT asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include an editorial.)

Mr. SHORT. Mr. Speaker, an editorial appearing in this morning's Wash-

ington Post entitled "Meat Quotas by Stealth," is a most unfair and erroneous commentary on the sincere efforts of the livestock industry to obtain some relief from rapidly increasing meat imports. The inference is made that a "powerful beef lobby" has used devious methods in securing consideration of legislation.

May I point out Mr. Speaker that some 72 Members of the House have introduced legislation dealing with this matter. This does not seem to me a devious way to go about securing consideration of legislation. It is also appropriate to point out that the other body recently passed by a vote of 72 to 13 a bill providing for modest restrictions on beef imports at times when domestic beef prices were severely depressed. This bill would not provide "rigid import quotas" as the editorial states but only limited restrictions at the past 5-year average, when domestic prices were depressed. There seems to me no logical reason why the largest segment of our agricultural economy should not be deserving of this modest protection.

Those of us who support legislation to provide the Nation's livestock industry with modest relief from imports have been unsuccessful in securing consideration of such legislation by the Ways and Means Committee of the House. We would welcome an opportunity to present our case. In the absence of such an opportunity we would welcome an opportunity to consider the Senate-passed bill on the floor of the House. I hope the House leadership will not be a party to any attempt by opponents of this legislation to bypass the Ways and Means Committee or the House of Representatives.

The editorial referred to is as follows:

MEAT QUOTAS BY STEALTH?

If the strategy of the powerful beef lobby is successful, rigid import quotas for all types of meat products will be established without a public hearing in the House or the concurrence of the Ways and Means Committee.

Earlier in this session the House passed H.R. 1839, a rather innocuous amendment to the Tariff Act of 1930 providing for the free importation of wild animals and birds intended for purposes of exhibition. But once in the Senate, H.R. 1839 was transmogrified. The wildlife import provisions were eliminated, and in their place the Senate adopted severe limitations on the quantities of meat and meat products that can be imported into the United States. Now the bill, bearing its original title, has been returned to the House where its disposition has touched off a lively parliamentary struggle.

The disposition of H.R. 1839 involves a number of fine parliamentary points, but there is hardly anything occult about the legislative principles that are at stake. The Senate has chosen to write tariff legislation of far-reaching consequences and that legislation should not be enacted until the House Ways and Means Committee has had an opportunity to deliberate and hold public hearings. A hardly disguised effort is now being made by the beef lobby to bypass Ways and Means through a Rules Committee decision that would send the bill to a House-Senate conference. This devious attempt to legislate by stealth ought to be rebuffed by the House leadership. If the Congress is really determined to offend our allies by reviving the protectionist spirit of the 1930's, it should not flinch from a full and open discussion of the issues.

MEXICO THREATENS UNITY OF AMERICAN STATES

(Mr. ROGERS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Speaker, Bolivia has announced that it will break relations with Communist Cuba in the near future, and thus coincide with the action just taken by the Organization of American States calling for all OAS-member nations to end recognition of Castro's regime.

Ironically, Mexico announced at the same time that it would reject the OAS action by continuing diplomatic ties with Castro.

The statement made yesterday by the Mexican Foreign Minister flies in the teeth of formal steps taken together by the nations of this hemisphere. It is clearly a slap in the faces of all free people in North and South America, and will not strengthen the OAS itself.

The Mexican position takes on added significance in view of the fact that Bolivia, along with Uruguay and Chile, sympathized with Mexico and favored a soft line on Cuba. Yet Bolivia announced compliance with the OAS 1 week after the sanctions were voted on Cuba. It seems that Mexico could do the same.

If the Government of Mexico does not reverse its position and abide by the OAS action in the near future then Mexican membership in that inter-American body must be reconsidered. For an organization to be effective it must first act, then move to enforce its own actions.

If Mexico will not act with the OAS, then the OAS must act on Mexico.

CANADA SEEKS EXPANSION OF FOREIGN TRADE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. SCHADEBERG] is recognized for 1 hour.

(Mr. SCHADEBERG asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. SCHADEBERG. Mr. Speaker, the Secretary of the Treasury is now deliberating a matter which is as serious as any he has had before him in his tenure in office. For in his hands now rests the fate of thousands of U.S. companies and the jobs of thousands of U.S. workers. It is my objective today to pinpoint the fundamental considerations involved in the decision which the Secretary must make and to demonstrate to the Members of Congress, to the President, and to the people of the United States why the Secretary must act, and must act now, to preserve these American companies and the jobs which depend on the continued existence of these companies. I know there are others in this Chamber today who share my concern about this matter and who wish to speak. I will be glad to yield the floor when I have completed my principal remarks.

On November 1, 1963, the Canadian Government embarked on a 3-year program aimed at promoting the export to the United States of motor vehicles and motor vehicle parts of Canadian origin. Mr. Speaker no one can argue with this objective, and it is not my purpose today to do so. We in the United States are constantly seeking ways and means of promoting the increased sale abroad of U.S. produced goods. It was the hope and expectation of the Congress, when it approved the Trade Expansion Act of 1962, that U.S. exports would be increased and that U.S. products would find expanding foreign markets. Indeed, it would be difficult to find a person against the expansion of export sales in the present day makeup of the world.

So, Mr. Speaker, no one objects to any country seeking to expand foreign markets for its products, provided, that is, that the means employed to attain such expansion are not illegitimate. No matter how desirable, or indeed even necessary, it may be for a country to expand foreign markets for its products, such expansion cannot be condoned if it comes about through the use of trade practices which are unfair. As in so many other fields of endeavor and personal and international relationships, the end of export expansion is not justified by the use of unfair means.

So an appraisal of Canada's objective of expanding auto parts sales to the United States must take cognizance not only to the ends of the Canadian program—larger sales to the United States, but also of the means which Canada is employing to accomplish this result.

The Canadian scheme to promote exports of automotive vehicles and vehicle parts has at its core a most unacceptable device—government export subsidies. The essence of the scheme, the means by which expansion of U.S. sales of Canadian-made auto parts is accomplished, is a Canadian Government subsidy which permits Canadian producers to sell at prices which are substantially lower than those prevailing in the United States, and substantially lower than any U.S. auto parts producer can meet.

The Canadian subsidy program is contained in an official order which employs many technical terms, and involves a number of seemingly complicated machinations. But reduced to its lowest common denominator, it is nothing other than a governmental underwriting of prices so that otherwise impossible sales can be made.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks a copy of Order-in-Council P.C. 1963-1/1544, the order establishing the Canadian subsidy program:

CANADA PRIVY COUNCIL,
GOVERNMENT HOUSE AT OTTAWA,
October 22, 1963.

His Excellency the Governor General in Council, pursuant to section 22 of the Financial Administration Act, is pleased hereby to order as follows, in accordance with the following minute of the Treasury Board: "T.B. 617086

"FINANCE INDUSTRY

"The Board recommends that Your Excellency in Council be pleased to order as follows:

"ORDER

"1. (1) In this order:

"(a) 'Designated period' means any following period; namely, (i) November 1, 1963, to October 31, 1964; (ii) November 1, 1964, to October 31, 1965; or (iii) November 1, 1965, to October 31, 1966;

"(b) 'Motor vehicle' means vehicles that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424, and 438a;

"(c) 'Motor vehicle parts' means parts that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424 and 438a to 438u inclusive, and includes the following motor vehicle parts and accessories; namely, ball and roller bearings, radios, heaters, die castings of zinc, electric storage batteries, and parts of which the component material of chief value is wood or rubber, but does not include tires or tubes.

"(2) A reference in this order to the value for customs duty purposes of any goods shall be construed as a reference to the value for customs duty purposes of such of those goods as were subject to customs duties specified in schedule A to the customs tariff.

"2. All customs duties specified in schedule A to the customs tariff payable in respect of the following goods; namely, (a) motor vehicles imported or taken out of warehouse by a motor vehicle manufacturer in Canada during any designated period; and (b) motor vehicle parts for use as original equipment for motor vehicles, imported or taken out of warehouse by or on behalf of such manufacturer during that designated period, are remitted to the extent of the duties so payable on such part of the value for customs duty purposes of those goods as does not exceed the amount (hereinafter referred to as the 'excess value') by which (c) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during that designated period, exceeds (d) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the period November 1, 1961, to October 31, 1962, and where the excess value exceeds the value for customs duty purposes of the goods so imported or taken out of warehouse during that designated period, the amount of such excess may be added to the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the immediately preceding period of 12 months in determining the amount of customs duties specified in schedule A to the customs tariff that may be remitted under this order or under order in Council P.C. 1962-1/1536 in respect of goods imported or taken out of warehouse during that preceding period.

"3. For the purposes of this order—

"(a) A manufacturer is a motor vehicle manufacturer in Canada during any relevant period only if such manufacturer produces in Canada during that period motor vehicles the total number of which so produced is not less than forty per cent of the total number of motor vehicles sold by such manufacturer during that period;

"(b) Motor vehicle parts that are produced in Canada by a parts manufacturer and exported and that can be identified as being for use in the manufacture, repair or maintenance of motor vehicles produced by an affiliate outside Canada of a motor vehicle manufacturer in Canada may be considered to have been exported by such motor vehicle manufacturer; and

"(c) Motor vehicle parts exported for incorporation into motor vehicles to be shipped to Canada shall be deemed not to have been

exported if the value of such parts may be taken into account for customs duty remission purposes under any order other than this order upon the subsequent importation of such vehicles."

Mr. Speaker, as I said before, the order is replete with technical terms and a myriad of definitions, cross references, and the like. But the plan works very simply and its true nature as a plain and clear export subsidy arrangement comes through all of the excess verbiage. Here is how the plan operates:

First. All Canadian vehicle producers are subsidiaries of U.S. auto companies. Also, all Canadian vehicle producers must import from the United States many parts needed for the production of vehicles in Canada. These parts are not available in Canada or elsewhere.

Second. When these needed parts are imported into Canada, a Canadian duty of either 17½ or 25 percent is levied.

Third. Canada offers to refund this duty if the Canadian vehicle producer who paid it will see to it that its U.S. affiliate purchases Canadian-made vehicle parts. In other words, the duty refunds are the subsidies paid to promote the sale of Canadian-made parts.

An example of how this scheme works also helps to bring it into clear focus as a subsidy device: Ford of Canada must import automatic transmissions. Let us assume Ford of Canada imports \$100,000 of such transmissions, though, of course, real imports of such articles are made in terms of millions of dollars. Upon the importation of these \$100,000 worth of transmissions, Ford of Canada pays the Canadian Government \$25,000, which represents the duty rate of 25 percent assessed by Canada on automatic transmissions.

The Canadian Government then says to Ford of Canada: "If you will have your parent—Ford, U.S.A.—buy \$100,000 worth of Canadian-made automotive radiators, wheels, brake drums, bumpers, radios, heaters, or any other of the thousands of parts which they need to make cars and trucks in the United States, we will pay you back the \$25,000. You and your parent company can thus earn this money by your parent buying Canadian instead of American parts."

It is well to note that without this \$25,000 refund, Ford, U.S.A. would not consider buying its parts requirements in Canada. The U.S. parts industry is much more efficient than Canada's and this efficiency is reflected in lower, or at the very least comparable, U.S. prices. To overcome this handicap which Canadian auto parts producers experience in the U.S. market, Canada subsidizes the transaction with the use of import revenues collected on U.S. products which must be imported into Canada. In other words, the Canadian Government makes up for the lack of competitiveness on the part of its industry by subsidizing the sales of Canadian products; the Government makes its producers competitive.

In the example given, Ford, U.S.A., finds it more profitable to buy the \$100,000 worth of needed parts in Canada, since the price it pays for these parts will be reduced by the \$25,000 payment received from the Canadian Government.

field, the average is \$5,770. And that is the average. In Towns County, Ga., a \$175,000 Federal loan will create all of 9 jobs, or close to \$20,000 per job. In Taney County, Mo., a \$975,000 resort will provide 151 jobs, or better than \$6,600 per job. A tourist complex, scheduled for \$717,000 of Federal funds, will be supporting 98 jobs in New Hampshire, over \$7,000 per job. And expansion of a tourist facility in North Carolina at \$74,000 will create seven jobs, over \$10,000 per job.

Actually the average seems to have been lowered only because of a \$2,275,000 Federal project in Puerto Rico to create a Howard Johnson's motor lodge which will be the ultimate in luxury, more than 1 employee per room, allegedly 360 jobs in all. Why any Howard Johnson motor lodge needs any help is beyond me.

Tourism has been championed as the way out for many depressed areas. There was an interesting article in the New York Times this Sunday, indicating that the Appalachia report had advocated, in December of last year after the warnings from Congress, the use of ARA for providing such facilities. The same New York Times carried another article on tourism created as a result of the TVA. I suppose the point was that the same could be true for Appalachia as a whole. What no one pointed out, however, was the fact that the tourist facilities springing up around TVA lakes and State parks were either State or privately provided. There was no 4-percent Federal money involved; there was no Government-sponsored competition for those who had already worked hard to provide economic opportunity for the unemployed.

A little over a year ago, the ARA head, Mr. Batt, announced grandly that \$24 million would be spent in West Virginia on improving recreational facilities, State parks and the like, and that this would create thousands of new jobs. To date, \$53,000 has been disbursed, and that in a project associated with this announcement but started 6 months earlier which would eventually involve 22 jobs. No wonder you can find no mention of the ARA effort in the Appalachia report calling for, among other things, a full study of the privately owned recreational facilities and potential in this region. No wonder the West Virginia newspaper, the Wheeling News-Register, formerly a supporter of ARA could editorialize on November 15, 1963, that:

The ARA has turned out to be a lot of talk and little action. It has called signals and changed them so many times that no intelligent person can be sure just what the brass hats really want to do. If ever we have seen a Federal agency kill off local civic enthusiasm we have witnessed it with the ARA.

The ARA has outlived its usefulness, if it ever had any. At best, it is an inept, conglomeration of programs which could be and have been handled more efficiently and economically by other government agencies or by private enterprise. At worst, it is a politically minded bureaucracy, more intent on preserving its own jobs than in supplying employment for those truly in need of help. Its figures are open to doubt, and so are its claimed successes. Its fail-

ures are evident. The General Accounting Office report on the ARA's misstatement of the number of jobs created and to be created under the Accelerated Public Works program which it also administers—which is similar to the ARA's own public facilities program—should be a warning to Congress not to be fooled by ARA propaganda. Overstatements of 128 percent on on-site man-months actually worked and 83 percent overstatements on man-months predicted led the Comptroller General to point out:

The information presented in the directory of approved APW projects for September 1, 1963, was used extensively during the hearings of the Committee on Public Works of the House of Representatives in October 1963 concerning amending the Public Works Acceleration Act to authorize an additional appropriation of \$900 million for the APW program.

The Rules Committee, by refusing a rule to this bill, can protect the House from the effects of more ARA propaganda. It can protect the House from the possibility of duplicating programs, or providing money for a program no longer needed. Finally, by refusing a rule, the Rules Committee can provide a distinct service to the taxpayer by protecting him from another program that has proven to be wasteful and inefficient. I know of no justification for the continuation of the Area Redevelopment Administration.

(Mr. KEITH (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. KEITH'S remarks will appear hereafter in the Appendix.]

(Mr. KEITH (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks in the RECORD and to include extraneous matter.)

[Mr. KEITH'S remarks will appear hereafter in the Appendix.]

(Mr. MOORE (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. MOORE'S remarks will appear hereafter in the Appendix.]

DEDUCTION FOR CORPORATE TAXPAYERS

(Mr. McCLORY (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, I want to call to the attention of this House the provisions of H.R. 12194 which I introduced yesterday. This measure would permit corporate taxpayers an additional 5-percent deduction from gross income for contributions to promote free enterprise abroad.

Mr. Speaker, the suggestion for this worthwhile legislation comes from my constituent, Walter W. Block, Sr., president of Quaker Industries, Inc., of Antioch, Ill. If enacted into law this bill could serve a most significant purpose in our Nation's contest with the Communist world.

In drawing the Members' attention to this bill I will not undertake to set forth the bill's provisions. However, I do want to point out that the 5-percent deduction authorized by this legislation is in addition to deductions for other contributions and business expenses to which corporations are entitled under existing law.

Mr. Speaker, I am hopeful that the Ways and Means Committee will grant an early hearing, or that the introduction of the bill at this time will focus the attention of the Members on this issue so that it may be considered favorably during the 89th Congress.

(Mr. NELSEN (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. NELSEN'S remarks will appear hereafter in the Appendix.]

REPORT ON PROBLEM PROJECTS OF ARA

(Mr. TALCOTT (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, the ARA has a large, active public relations staff but they seldom report the true facts concerning the operation, management, and conduct of the ARA.

If the ARA is to employ a promotional and publicity staff, they should report both sides of the issues and all of the facts.

The following is a synopsis of six ARA projects in various areas of the United States.

The information was compiled from ARA Directories of Approved Projects with recent supplemental information from other sources near the project. Although the ARA continues to report that all is well with all approved projects, a casual investigation will quickly reveal that much is wrong and worsening. There are other ARA-approved projects which are near bankruptcy about which I shall report later.

The above-mentioned data follow:

SYNOPSIS UTAH

Carbon County: Blue Flame Coal Co., Price, Utah. In September 1962, ARA approved an industrial loan of \$81,000 which has been disbursed, to expand mining operations. ARA claimed at the time that this project would result in creating 33 jobs. However, the May 1964 Directory of Approved Projects says: "Employment potential uncertain." A check into the project revealed that the firm no longer exists. It is not listed in the current Price telephone directory, although it was listed in the previous issue. The Carbon

County Industrial Department reported that ARA has foreclosed on this firm. The officer of record is now employed elsewhere.

IDAHO

Benewah County: Benewah Lumber Co-op, Inc., Plummer, Idaho. In September 1962, ARA approved a loan of \$143,000, all of which has been disbursed, for replacing a lumber finishing plant. The ARA Directory of Approved Projects for August 1963, showed this loan would create 65 jobs. However, the May 31, 1964, directory shows: "Employment potential uncertain." A check on this, through the Idaho State Chamber of Commerce, revealed that it was found that the mill had been located on marshy ground. A portion of the operating capital was diverted to solve the land problem and the mill has reopened on a limited basis, with a maximum of 40 jobs—not the 65 claimed by ARA. A further check disclosed that the firm is also suffering from lack of adequate capital making it impossible to carry any inventory, and necessary to cease operations in the winter.

NEW MEXICO

Socorro County: Socorro Packaging Co., received two ARA loans in early 1962 totaling \$192,000, all of which has been disbursed, to establish a new soft drink bottling plant. ARA directories originally claimed this loan would create 35 new jobs. The May 31, 1964, directory now says: "Employment potential uncertain." Information received from the Albuquerque chamber and a banker in Socorro reveals that this company did employ about 10 to 12 people for a short time, but was never able to produce a marketable product. The difficulties appeared to be both quantity (off weight) and quality (off strength). The organizers have quit, and the ARA loan has been in default for more than a year. There does not appear to be much chance of this project ever being revived.

ALABAMA

Gadsden area: Attala Pipe & Foundry Co., Gadsden, received ARA approval for a loan of \$453,000 in December 1962 to reopen and modernize the foundry. All of this money has been disbursed. In that year, ARA claimed this project would result in 208 jobs. However, the May 31, 1964, ARA Directory says that the "Employment potential (is) uncertain." The truth is that this firm is now closed in bankruptcy. The Gadsden Chamber of Commerce, as a part of the effort to revive the firm, had supported local stock sales. The chamber is now being sued for \$11,000 by a local working man who had invested his life savings in the venture.

MASSACHUSETTS

Lowell area: Semi-Onics, Inc., Lowell, Mass., in January 1962 received approval for an ARA loan of \$98,000 to purchase equipment and renovate a building. \$85,000 has been disbursed. When it approved the loan, ARA claimed it would result in creating 110 new jobs. However, the May 1964 Directory states that "Employment potential (is) uncertain." A check into this project revealed that, while the firm is still in operation, only 25 persons are employed. About April it was reported that the firm was about to close. It is still in operation, working 95 less people than the ARA claimed.

RHODE ISLAND

Providence-Pawtucket area: Genoa Macaroni Co., Franklin County in June 1962 under the name of T. E. Barnicle Macaroni Co., received ARA approval for a loan of \$426,000, all of which is now disbursed. The money went to construct a new plant, in which would be housed 35 workers, according to the ARA Directories of 1963. In the May 31 ARA Directory, ARA says the employment potential is uncertain at this plant, and no figure is given. An investigation disclosed that there are actually only 8 or 9 people employed there. Since this is a fully auto-

mated operation, it would employ only about 15 persons working at capacity—not the 35 claimed by ARA. The principle customer for this firm is the Government which buys for the military and penal institutions. It is reported that the company is in serious trouble, and that the management is not familiar with the manufacture of macaroni, having problems with the drying operations. Chances of success of this operation apparently depend on getting additional capital—perhaps from ARA.

BEEF IMPORTS

(Mr. BATTIN (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BATTIN. Mr. Speaker, American cattlegrowers can only be puzzled and disturbed by the apparent indifference of the Johnson administration toward the continuing threat posed by foreign beef imports to our economy.

The recent Senate action approving a mandatory cutback of foreign beef imports reflects the growing concern of the legislative branch toward this threat. It is highly significant that in this instance even legislative leaders and others ordinarily close to administration policy have seen fit to take a position alongside the interests of domestic rather than foreign beef producers.

Regrettably, the administration seems to be more concerned with the feelings of foreign producing nations than the interests of American cattlegrowers. Responding to the recent Senate vote, the Department of State has curtly informed the legislative branch that such a mandatory cutback would be "the wrong remedy for the problem of the cattle industry."

I might note that in this statement our Department of States does not specify whether the remedy is wrong for our own American cattle industry or that of Australia and New Zealand. Presumably, the State Department referred to the problems confronting American cattlegrowers, but the RECORD has not always been clear as to whose interest is paramount in our diplomatic scheme of policymaking.

The undeniable fact is that the domestic beef industry has been under a growing economic assault from foreign producers. Beef and veal imports into this country have more than tripled during the past 5 years. An estimated 80 percent of this import increase comes from Australia and New Zealand.

In the face of this economic threat, the Johnson administration, including the Department of Agriculture as well as the State Department, has demonstrated a willingness to let American industry interests go by the board in an effort to placate foreign producers and thereby ostensibly serve purported larger foreign policy purposes. I submit that weakening a domestic industry—the price per hundredweight for beef cattle has fallen over 25 percent from 1962 to June 1964—is no way to further the foreign policy interests or purposes of the United States. And I might point out that the truth of this statement is all too apparent when we look around the world

today to see how far the State Department's giveaway trade and aid policies have advanced our national interests in recent years.

No, even if the legislative branch were not to come up with the correct remedy for our American cattle industry, I do not believe that the Department of State can be said to have developed any other policies or remedies to assist this vital sector of our domestic agricultural economy. And, in fact, the House and Senate action in establishing mandatory cutbacks on beef imports is certain to bolster our cattle industry, and by doing so—despite the anguished wails of State Department theorists—to bolster our country's economic position throughout the world.

Moreover, I am singularly unimpressed with the usual arguments advanced by the State Department to the effect that Congress, by looking after domestic interests, is jeopardizing the U.S. position at the international bargaining table. Other countries, notably Britain and the Common Market group, have never hesitated to take whatever steps they believe are needed to protect their own domestic industries. As a matter of fact, Britain, faced with a beef import problem similar to our own, simply increased its tariffs by 50 percent. Is it too much to ask that this administration be willing to protect American cattlemen as other countries protect their own?

And is it not in fact hypocritical for the administration on the one hand to claim it is conducting an antipoverty campaign while on the other hand the State and Agriculture Departments are operating what amounts to a propoverty import program for America's cattlegrowers?

It is clear then that the half measures and the vacillating policy of this administration in dealing with the foreign beef import threat have not been sufficient to meet that threat. As I have pointed out, even the administration's most stalwart leaders and followers in the legislative branch have seen fit in this instance to register their belief that stronger action is needed to save our domestic industry from destruction at the hands of foreign competitors. I for one believe that the House and Senate are responding to a vital economic need by enactment of legislation for mandatory beef import cutbacks—and I would hope that the administration would at long last take heed of the interests of our own domestic economy rather than the tired and discredited counsel of so-called foreign economic policy experts in the Department of State.

POVERTY BILL—A COMMENTARY

(Mr. CLEVELAND (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, President Johnson's poverty bill appears to many people to be a hasty collection of discredited political nostrums that are unsuited to today's problems and needs. Some features of the bill have been tried before by the Federal Government and

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS: House Rules Committee reported resolution to send meat-import restriction bill to conference and Rep. Roosevelt commended this action. House began debate on poverty bill. House committee reported housing bill. Senate committee voted to report land and water conservation fund bill. Senate committee reported public works appropriation bill. Senate passed independent offices appropriation bill.

SENATE

1. INDEPENDENT OFFICES APPROPRIATION BILL, 1965. Passed as reported this bill, H. R. 11296. Conferees were appointed. pp. 17509-15, 17528-35, 17544-7, 17554-77
2. RECREATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 3846, to establish a Land and Water Conservation Fund to assist in the improvement of outdoor recreation facilities. p. D642

Passed as reported S. 2048, to provide for the establishment of the Bighorn Canyon National Recreation area. pp. 17577-8

Sen. Metcalf inserted a speech urging that "all of us must shift our outdoor recreation emphasis from the national panorama to specific projects which will improve our local communities." pp. 17490-1

3. PUBLIC WORKS APPROPRIATION BILL, 1965. The Appropriations Committee reported with amendments this bill, H. R. 11579 (S. Rept. 1326). p. 17482
4. PERSONNEL. A subcommittee of the Post Office and Civil Service Committee approved for full committee consideration S. 1974, to amend the Federal Employees' Group Life Insurance Act with regard to designation of beneficiary. p. D643
5. BUDGET. Sen. Williams, Del., criticized the rising number of Federal employees and called "the Kennedy-Johnson administration...the most extravagant regime that has ever occupied the White House." p. 17485
6. NATIONAL DEBT; TAXATION. Passed as reported S. 2281 to clarify the components of, and to assist in the management of, the national debt and the tax structure. pp. 17585-8
7. ELECTRIFICATION. Sen. Metcalf called for greater Federal participation in the interregional transmission system and inserted an article by Sen. Neuberger in a similar vein, "Surrender in the West." pp. 17489-90
Sen. Morse inserted a corrected version of his speech delivered Aug. 4, 1964, on electric power in the Pacific Northwest. pp. 17537-44
8. FOREIGN AID. Sen. Long, Mo., called the foreign aid program "an effective weapon in today's struggle between freedom and communism" and outlined the contribution of various Mo. universities to the AID program. pp. 17506-7
9. FEDERAL-STATE RELATIONS. Sen. Hill inserted a speech by Sen. Muskie, "Intergovernmental Relations" calling for the three levels of government to work together. pp. 17589-91
10. WATER. Sen. Morse spoke against Westlands water distribution system contract and inserted statements which "establish beyond a doubt its illegality under existing reclamation laws." pp. 17493-503
HOUSE
11. POVERTY. Began debate on H. R. 11377, the poverty bill. pp. 17610-52
12. MEAT IMPORTS. The Rules Committee reported a resolution to send to conference H. R. 1839, the meat-import restriction bill (p. 17668), and Rep. Roosevelt commended this action (pp. 17595-6).
Rep. Nelsen inserted his testimony before the Rules Committee in favor of a resolution for House concurrence in the beef-import amendments adopted by the Senate to H. R. 1839. pp. 17656-7
13. AUTOMATION. Concurred in Senate amendments to H. R. 11611, to establish a National Commission on Technology, Automation, and Economic Progress. This bill will now be sent to the President. p. 17610
14. HOUSING. The Banking and Currency Committee reported without amendment H. R. 12175, to extend and amend laws relating to housing, urban renewal, and community facilities (H. Rept. 1703). p. 17668

PROVIDING FOR TAKING H.R. 1839 FROM THE SPEAKER'S TABLE,
DISAGREEING TO SENATE AMENDMENTS, AND REQUESTING
A CONFERENCE WITH THE SENATE

AUGUST 5, 1964.—Referred to the House Calendar and ordered to be printed

Mr. COLMER, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 814]

The Committee on Rules, having had under consideration House Resolution 814, report the same to the House with the recommendation that the resolution do pass.



House Calendar No. 273

88TH CONGRESS
2D SESSION

H. RES. 814

[Report No. 1698]

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 1964

Mr. MILLS submitted the following resolution ; which was referred to the Committee on Rules

AUGUST 5, 1964

Referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution the bill (H.R. 1839) to amend the Tariff Act
3 of 1930 to provide for the free importation of wild animals
4 and wild birds which are intended for exhibition in the
5 United States, with the Senate amendments thereto, be,
6 and the same hereby are taken from the Speaker's table,
7 to the end that the Senate amendments be, and the same
8 are disagreed to and a conference is requested with the
9 Senate upon the disagreeing votes of the two Houses.

88TH CONGRESS
2^D SESSION

H. RES. 814

[Report No. 1698]

RESOLUTION

Providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments, and requesting a conference with the Senate.

By Mr. MULLS

AUGUST 4, 1964

Referred to the Committee on Rules

AUGUST 5, 1964

Referred to the House Calendar and ordered to be printed

stated that they will not insist upon the discharge petition as indicated in the letter from National Commander Kime:

VETERANS OF WORLD WAR I
OF THE U.S.A., INC.,
Washington, D.C., August 4, 1964.

HON. OLIN E. TEAGUE,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN TEAGUE: At the briefing last Friday, July 31, on proposed changes in veterans' pension laws, those present in your office, in addition to yourself and Mr. Meadows, were Francis Stover and Jimmie Van Zandt from the Veterans of Foreign Wars, John Erickson and I from Veterans of World War I.

My information is that the House Veterans' Affairs Subcommittee on Veteran Compensation and Pension have, this morning, reported the proposed bill to the full committee, which I understand will meet tomorrow.

As stated to you on July 2: "If the House Veterans' Affairs Committee will come out with a good bill, you will not hear anything more from national headquarters about discharge petition No. 4 during my administration."

With the information proposed in the present bill, reported by the subcommittee, I repeat the above statement, and in addition in our official publication, the Torch, and through a bulletin to all national and department officers, will make every effort possible to gain support of the proposed bill after it has been voted out of the full committee.

Sincerely yours,

W. R. KIME,
National Commander.

The bill has 12 sections and is effective, generally, on January 1, 1965.

Section 1 provides six new exclusions from income in determining pension eligibility:

First, 10 percent of the payments to an individual under any public or private retirement, annuity, or income plan. Example: social security being received by the veteran in the amount of \$1,800 a year—\$180 of this sum, or 10 percent, would be excluded in determining income eligibility. This would not operate, however, in contributory pension plans until an individual receiving pension on October 31, 1964, had recouped his contribution.

Second, amounts paid by the veteran for the last illness and burial of his deceased spouse or child.

Third, profit from the disposition of real or personal property other than in the course of business.

Fourth, payments received as a result of jury duty or other obligatory civic obligations.

Fifth, payments under the war orphans educational assistance program.

Sixth, bonus or similar payments from a State.

Section 2 removes the requirement that a child file a report every year showing annual income received during the preceding year.

Section 3. Under Veterans' Administration pension regulations a veteran, in order to receive pension at age 65, in addition to meeting the income requirements must be unemployable, and have a 10-percent disability. Section 3 would remove the requirement of a 10-percent

disability as well as unemployability attributed thereto.

Section 4 provides increases shown in the tables which follow—existing law in black brackets, new matter proposed in the bill in italic.

Veterans without dependents

[Column I		Column II
Annual income		
More than—	Equal to or but less than—	
\$600 1,200	\$600 1,200 1,800	\$85 70 40]

Column I		Column II
Annual income		
More than—	Equal to or but less than—	
\$800 1,200	\$800 1,200 1,800	\$90 70 40

Veterans with dependents

[Column I		Column II	Column III	Column IV
Annual income		One dependent	Two dependents	Three or more dependents
More than—	Equal to or but less than—			
\$1,000 2,000	\$1,000 2,000 3,000	\$90 75 45	\$95 75 45	\$100 75 45]

Column I		Column II	Column III	Column IV
Annual income		One dependent	Two dependents	Three or more dependents
More than—	Equal to or but less than—			
\$1,200 2,200	\$1,200 2,200 3,000	\$100 75 45	\$105 75 45	\$110 75 45

Widows without dependents

[Column I		Column II
Annual income		
More than—	Equal to or but less than—	
\$600 1,200	\$600 1,200 1,800	\$60 45 25]

Column I		Column II
Annual income		
More than—	Equal to or but less than—	
\$800 1,200	\$800 1,200 1,800	\$65 45 25

Widow with one dependent

[Column I		Column II
Annual income -		
More than—	Equal to or but less than—	
\$1,000 2,000	\$1,000 2,000 3,000	\$75 60 40]

Column I		Column II
Annual income		
More than—	Equal to or but less than—	
\$1,200 2,200	\$1,200 2,200 3,000	\$80 60 40

Section 5 increases the additional allowance for aid and attendance cases from \$70 to \$100.

Section 6 provides a new rate of \$35 additional to any veteran who is permanently housebound.

Section 7. Existing law excludes \$1,200 of the wife's income and counts the balance in determining the veteran's eligibility for pension where the veteran is married. The amendment would exclude \$1,200 or all earned income whichever is the greater.

Section 8 provides the same sort of protection for the non-service-connected aid and attendance pension cases as is now available for the service-connected cases receiving compensation under 38 United States Code 314(r). That is, the allowance shall not be discontinued until the first day of the second calendar month which begins after the date of the admission for VA hospitalization rather than immediately as is the case today. This section also makes similar provisions for aid and attendance compensation allowances under provisions other than 314(r).

Section 9 authorizes individuals who are receiving aid and attendance pension allowances provided by 38 United States Code 521(d) to be furnished drugs or medicine which are prescribed by a physician.

Section 10 makes a technical correction to existing law to make certain that a widow may not receive more than an award of death pension on account of the service of her husband in more than one war.

Section 11 permits the same 10 percent exclusion factor described in section 1 for the "old law" cases—pensioners under law in effect on June 30, 1960.

Section 12. The bill is generally effective January 1, 1965, except that the section relating to recoupment shall not apply to any individual receiving pension on October 31, 1964, until his contributions have been recouped.

BEEF IMPORTS

(Mr. ROOSEVELT asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. ROOSEVELT. Mr. Speaker, it is good to know that the Rules Committee followed the wise suggestion of Chairman WILBUR MILLS of the Ways and Means Committee that the controversial "beef import" restriction bill be sent to conference. It is certainly important that such a forum have the opportunity to discuss many of the vital questions which are raised by this issue.

For instance, there should be a careful review of what the proposal might do to our general trade negotiations. Los Angeles, for example, has many firms whose export trade might be severely affected by any unwise and precipitous action, and the overall trade picture needs to be taken into consideration. We should also assess the possible retaliation that could come from such countries as Australia and Argentina, again in the context of our overall export trade and balance-of-payments position.

In the agricultural area, what is the possible effect on such export products as cotton, rice, tobacco, and soybeans? Equally important, what would unreasonable legislation do to the consumer prices of lower cost meat and meat products and the cost of living of low-income families?

I have never been unsympathetic to the needs of any special group, and especially this group, but I am hopeful that there is a middle position which will not adversely affect the much wider interests involved, including jobs in our port areas, in the shipping industry, in the storage industry, and in the processing industry.

I am confident that under Chairman MILLS' direction, all factors will be given fair consideration, and I commend the majority of the Rules Committee for a wise decision.

CORRECTION OF ROLL CALL

Mr. SIKES. Mr. Speaker, on rollcall No. 196 I am recorded as being absent. I was present and voted "yea," and I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THIS PAPER TIGER HAS CLAWS AND TEETH

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, the action of President Johnson in ordering a prompt and vigorous strike on North Vietnam torpedo boat bases will evoke hearty applause. Too long have we turned the other cheek when actions of aggression on our planes and ships occurred. This is language which the Communists can understand and respect and which the American people have long wanted.

The action of Vietminh in attacking U.S. destroyers was an obvious test of

U.S. determination. They have boasted that the United States is a paper tiger. Now they know this is no paper tiger; it has teeth and claws and will use them. There is, of course, the chance that action will spread. We have to take the risk. Had we failed to make vigorous response, the message to our friends would have been loud and clear.

It must be recognized that the willingness of the Vietcong forces to provoke this incident indicates that the day of a showdown over Vietnam may not be very distant. The tide has been running against South Vietnam for a number of months. There has been a substantial buildup of Vietcong forces there, and they are fighting with new vigor and effectiveness. The United States is still hopeful this situation can be checked and the Vietcong actions reversed without spreading the conflict or without an all-out commitment of U.S. forces. Regardless of the outcome of the incidents of the past few days, a new look may soon be necessary to determine whether Vietnam can be saved without a sterner effort on our part.

Sometimes we are tempted to relax our vigilance. Sometimes we wonder about the necessity of spending half of each tax dollar for defense. Sometimes there are those who decry the emphasis on military over civilian activities. These are the times and these are the conditions which prove the wisdom of our course. Without a strong defense we would long ago have been pushed aside by the Communist war lords. But it is equally necessary to show a willingness to use that military strength when there is a justification. Indecision, lack of determination, unwillingness to risk a showdown, negate a strong defense. The enemy wants trouble no more than we. But in too many instances we have let him face us down. I hope there will be no more of this.

CORRECTION OF ROLL CALL

Mr. FINO. Mr. Speaker, on rollcall No. 196 of Thursday, July 30, a quorum call, I answered "present." I am marked absent. I ask unanimous consent that the permanent RECORD be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT

Mr. GROVER. Mr. Speaker, I am recorded as not voting on rollcall No. 200, defense appropriations conference report.

When this rollcall was taken, I was at the office of General LeMay in the Pentagon attending the presentation ceremony of the 1963 Cheney Award posthumously awarded to Maj. James O'Neill, a resident of my district who was killed in Vietnam last year in performance of his duties with the U.S. Air Force.

I ask unanimous consent that the RECORD show that had I been present I would have voted "Aye."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(Mr. HALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

[Mr. HALL addressed the House. His remarks will appear hereafter in the Appendix.]

SECURITIES ACT AMENDMENTS OF 1964

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6793) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6793), with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Arkansas [Mr. HARRIS] had 19 minutes remaining, and the gentleman from Illinois [Mr. SPRINGER] had 16 minutes remaining.

The Chair recognizes the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, when the Committee rose on yesterday the gentleman from Massachusetts [Mr. KEITH] was discussing the problem outlined in the minority report having to do with the particular section of the bill dealing with "marketmakers." During his discussion the gentleman from New York [Mr. FARBERSTEIN] raised some questions regarding that particular section and in addition thereto the gentleman from New York [Mr. FARBERSTEIN] had raised another question concerning foreign securities as treated in this bill.

Since then I have had occasion to discuss the matter further with the gentleman from New York [Mr. FARBERSTEIN] and with the Chairman of the Securities and Exchange Commission. I have today received a letter addressed to me regarding three specific issues, one having to do with the foreign corporations that would be requested to register and file reports, one having to do with the domestic companies refusing to register and file reports, and another which expressed concern about section 16(d) with reference to the profit-recovery provision, having to do, as I said a moment ago, with "marketmakers." This letter explains and clarifies further the questions that were raised yesterday. I

a policy of firmness that was clearly and positively spelled out so that the Communists would know exactly where we stand; so that the chances of war through accident or miscalculation would be reduced or—hopefully—eliminated.

Overnight, the nations of the free world responded to our act. Votes of confidence were unanimous among the nations of Latin America—our NATO allies saluted and applauded our position.

Immediately after that fateful day in October, however, we again allowed our pride to fault our vision. We eased away from our firm position. We failed to force through our demand for “on the spot” inspections of the missile sites. U Thant spoke soft and conciliatory words. People high in our own Government were apparently willing to justify a maintenance of the status quo.

They pointed with pride to the truth that Khrushchev did remove the mammoth missiles—that he did remove some of his troops.

Do they not realize that the most significant fact about the Cuban affair was not that Khrushchev removed the missiles. The significant lesson we should learn and never forget is that he put them there in the first place.

He put them there as an offensive weapon aimed at the very heart of the Western Hemisphere.

And the hour of danger has not passed. We know the Russians have planes and tanks and guns and men in Cuba. We know the island bristles with short-range missiles. We know that Cuban ports are visited by Russian submarines. We know that the island is used as a staging area for Communist agents trained to sabotage, infiltrate, and create riots and revolution in Panama, the Dominican Republic, in Haiti, Central America, and South America.

So long as Khrushchev controls Cuba, the Communist threat hangs like a dark cloud over all the Americas.

The take over in Cuba forged one more link in the Communist chain of satellite nations around the world.

In the past two decades, nearly a billion people have been added to the Communist camp as the Iron and Bamboo Curtains were stretched to envelop additional countries.

We have seen Latvia, Lithuania, Estonia, Poland, Albania, China, Czechoslovakia, East Germany, North Korea, North Vietnam, and Tibet disappear from the family of free nations.

During these same momentous years, the United States and other nations of the Western bloc have championed the emancipation of all nations of the world. And they have given more than lipservice to these aims. Since the end of World War II, the Western bloc has given freedom and independence to the Philippines, the Cameroons, Ceylon, India, Pakistan, Israel, Malaya, Nigeria, Somalia, Sudan, Togo, and Sierra Leone, Gabon, Laos, Malagasy, Morocco, Ivory Coast, Niger, Senegal, Upper Volta, Mauritania, Tanganyika, Western Samoa, and half a dozen other nations with strange sounding names.

The free world has given freedom and independence to this long list of former colonies and protectorates—freedom to more than 30 nations and more than a billion men, women, and children.

Who, then, are the aggressors? Those who preach and practice freedom? Or those who enslave the hearts and minds of men?

Since the end of World War II, the United States has waged the most costly battle of peace the world has ever known. We have opened our hearts and our pocketbooks to the underfed and underprivileged in a hundred nations. Since 1946 we have spent more than a hundred billion dollars in foreign aid and military assistance.

Take a map of the world. Close your eyes and place a pin in any inhabited area.

Wherever you touch you will find some people who have benefited as a result of the generous heart of the American people.

The Communists, too, were active during these tortured postwar years. They battled—but not for peace. They didn't use dollars for their offensive. They used intrigue. They used deceit. They broke contracts. They broke agreements. They broke the will of the people to resist. And—when needs be—they used terror, violence, revolution, and war.

In all these years since the end of World War II, there has not been a single hour when bitter, brutal fighting was not going on in some quarter of the globe. There was civil war in China. There was factional fights in Greece. There was the onslaught in Egypt. There were scrimmages in Iraq. There was Korea. And Vietnam, Hungary, Lebanon. There was Tibet, Laos, and the Congo. And the end is not yet.

Even as I speak, the powder keg of the Far East threatens to erupt into a major conflict as Communist guerrillas strike and run in the steaming jungles of Vietnam. Lose this critical area—as well we may—and there is danger that Thailand, Laos, and Cambodia will be gobbled up by the mad men of Moscow and Peking.

At this point, let me make it clear that I do not make any major distinction between Chinese communism and Soviet communism. While there has been a rift, or a split between Mao and Khrushchev, neither has, by word or act, deviated one iota from the basic aims of the Communist manifesto to dominate the world.

They differ on policies. They argue on procedures. But they agree on their ultimate goal. We must, therefore, in my opinion, continue to consider communism as a monolithic ideology that is determined to crush and destroy the United States and all nations that now preserve freedom of thought and freedom of opportunity.

There are, of course, those who say we overestimate the danger of the Communists. There are those who say we can coexist with the godless ideology of the Kremlin. There are those who say that war has now reached such horrible proportions that we must learn to live with the Communists regardless of the price.

I know not where you stand—but, for myself, I feel that this sapping of our moral strength—this justifying of false values—is the greatest danger of all. If we lose our will to resist, if we permit wide-scale moral disintegration, if we fall into the poisonous trap of looking for peace at any price, then there is grave danger that Khrushchev will make good his boast that he will bury us. His promise that our grandchildren will live under communism can become a horrible truth.

We failed to read and heed Hitler's “Mein Kampf.” And we paid a terrible price for neglecting to study and analyze this blueprint for destiny through destruction. Let us not make the same mistake again.

The Communists have their manifesto for world domination. It has been endorsed by Lenin. It was supported by Stalin. It has been championed by Molotov, Malenkov, Beria, Khrushchev, and Mao.

It is a conception of world domination through destruction and deception. It has been followed faithfully by the Kremlin hierarchy these many years. They are still practicing it. They will continue to practice it in the future. They will plead for disarmament. They will plead for nuclear controls. But always on their terms.

They will preach peace—but prepare for war. It is imperative, therefore, that we remain strong and vigilant as we seek the road to lasting peace.

Fortunately, our Government leaders and our military commanders have never forgotten the tragic lesson of Pearl Harbor.

They are on guard against sneak attack. They have resisted the pressures of peace groups and have given this Nation the most powerful arsenal the world has ever known.

It should be recognized by all our citizens that in this tinderbox period of the hydrogen bomb, the greatest deterrent to war is the enemy's knowledge that we have the capacity to retaliate against the first attack.

The Russians do know of the devastating strength and firepower that the United States can direct against the Soviet homeland in the event of surprise attack. I refer, of course, to the spectacular capabilities of our missile forces, our Strategic Air Command, and, in particular, our Navy and Polaris fleet.

The planes aloft of the Strategic Air Command, and the united of the fleet that are at sea cannot be wiped out on a first strike surprise by the enemy. Thus, our retaliatory capabilities are inherent in our present military posture.

So long as we maintain this absolute power to retaliate, it is my firm conviction that the Soviets will never launch a major attack. These ships of ours, this underwater Navy of ours, and the planes of the Air Force, together with the mighty missiles that stand at the ready, are the free world's major source of material and military strength today.

But we need more than military strength. We need moral strength. We need willpower. We need conviction and determination and dedication. These are individual strengths that cannot be generated by military leaders, nor by political leaders.

This kind of power and strength must come from the brains and the hearts of the people. Must come from you and me.

This is both the test and the power of our system. Our national strength comes not from our political leaders, but from the hundred and eighty million citizens who have never failed our constitutional principles in an hour of crisis.

To preserve this strength at the individual level, we must strive to improve our communications at the individual level. We must each reaffirm our faith in our way of life.

We must take a new and honest and objective look at the rich and glorious heritage that is ours.

Long before that imposing glass edifice to man's hopes and dreams was erected at 42d Street and the East River in New York City, we were—in truth—a united nation. We were a nation born of oppressed peoples. We were born in revolt against tyranny and slavery.

We are a nation enriched by the strength and culture of a hundred peoples. In our national blood-streams are strains of every land. We are Greek and Pole and Russian. We are German, Dane, and Dutch. We are French and Turk and Czech. We are Indian, Chinese, Japanese, and Serb. We are Mongol, English, Irish, and Finn. We are black and white and red and yellow. We are Catholic, Protestant, and Jew. We are Moslem and Buddhist and Shinto. We worship at all shrines and have heart strings that reach across all oceans.

We have a culture enriched by centuries of struggle as our fathers and their fathers before them cast off their yokes and fought for freedom and opportunity.

We have the heritage of Bunker Hill, of Lexington and Concord. Our Fathers fought and died for principles of pride and decency and honor at Gettysburg, Chancellorsville, and Bull Run. Yes, and at Chateau Thierry, the Marne, Okinawa, Normandy, the Chosen Reservoir, and Vietnam.

We came from a hundred lands and we built a new nation. Our sons have returned to those lands and fought and died in defense of principles we hold dear.

Unfortunately, however, in the recent past, pride in country has fallen on hard times. We have tended to downgrade and discount our glorious past. We have minimized the role we have played in raising the hearts and hopes of all enslaved peoples. We have clouded the accomplishments of our Nation's heroes. As a result of the actions and remarks of a few patriotism—honorable, honest patriotism—has become suspect. Patriotism has become a nasty word.

Well, not in my lexicon. For myself, I blush not when I declare for the record that I have great pride in my Nation. I have great pride in our history. I have great pride in our heroes. I have great pride in our flag.

Just as I hesitate not a moment to proclaim my love for my family and my love for my church, I hesitate not a moment to profess my love for my country.

I have no desire to lock these feelings in my heart. If this pride and this posture causes me to be labeled a flag-waving provincial, I will consider the charge as the highest personal compliment.

Now, let there be no misunderstanding of what I say. I do not endorse any organization. I do not endorse any special group or any special interests. I do endorse the plain, old-fashioned Fourth-of-July kind of spine-tingling personal patriotism that was such a rich part of our national culture for more than 165 years.

There are those who say we have no ideology to match the promise and the hope of the Communists.

I say, let them read again the Declaration of Independence. Let them carefully and thoughtfully study the story of our Constitution and our Bill of Rights. These are the instruments of our national strength—and of our individual strength. These are the flags that kindled hope in the hearts of oppressed peoples for a century and a half.

Let us again communicate these truths to our own people, and to our neighbors. If we do this, we'll have less of a problem making our citizens understand our tax programs and our space programs and our military programs. We'll have less of a task in bringing true understanding to our people if we spell out in moral and spiritual terms what they're fighting for, and what they're paying for, and what their sons may be dying for.

And it must be our charge to our representatives that when they sit down at the conference table to seek the road to a just and lasting peace, that they speak firmly and with conviction in these aims, these ideas, these ideals. They must have confidence in our inner strength; they must be fortified by the faith and power and courage of our people.

They must do what is right whether it pleases the uncommitted nations or not. They must speak softly but carry the big stick.

If we do this, we may not win any international popularity contests, but our national pride and our national prestige can reach new heights.

And we can sleep at night in the comfortable knowledge that our children, and our children's children, will live in peace and freedom—under God.

I thank you.

JAPANESE NATIONALS USED TO BREAK BARGAINING IN FISH INDUSTRY

(Mr. PELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLY. Mr. Speaker, the Japanese have their fish processing boats operating in Alaska waters. How can

American cannery operators who pay a minimum of \$3 an hour compete with foreign labor which receives only 33 cents an hour.

The following editorial from the July 24 issue of the Seattle Post Intelligencer tells a story of the short-sighted folly of Alaska's Governor in inviting foreign fish buyers to intervene in a dispute between American fish packers and fishermen over the price of fish.

GOVERNOR EGAN'S ERROR

How Gov. William A. Egan of Alaska runs the 49th State is generally the business of Alaskans.

But when Governor Egan butts independently into the international field, and explains himself later to the State Department, it is of concern to all of us.

Last week Governor Egan invited Japanese freezer ships into Prince William Sound to buy pink salmon. The invitation was accepted. The Governor's grandiose over-all excuse was that he was "protecting the economic health and welfare of the American citizen."

This in a three-page telegram to Secretary of State Rusk. The Governor also charges "interference in Alaska's internal affairs." Secretary Rusk might well reply that the Governor is interfering in national and international diplomacy.

We take due note of Governor Egan's more valid defenses. He says that he was concerned when packers and fishermen failed to come to terms on the price of fish, and feared that the pink salmon run would "rot in the streams" which is a correct biological reference. He pointed out that his action does not interfere with collective bargaining, because legally the fishermen of Prince William Sound are not members of such a bargaining pact but are independent contractors. That is fact. He claims that not to salvage the run would jeopardize the position of the North Pacific Fisheries Commission with regard to our international fishing treaty. That is a matter for experts to decide and is far too complex for the kind of judgment Governor Egan has displayed in this instance.

Much as we sympathize with the position of the fishermen of Prince William Sound, and however carefully we note Governor Egan's defense of his action, we find no plausible excuse for his invitation to Japanese packers. It is of interest to note that his "solution" found no widespread support among Alaskans themselves.

It was an arrogant move certain to give rise to more problems than it solved, and in making it Governor Egan has embarrassed the Nation as well as his constituency.

As a final resort he has blamed his problem and confusion on "vested interests in Seattle" because two of the major Prince William Sound packers have headquarters here. This is demagoguery added to grave error.

Let us hope somebody straightens him out before he causes further damage.

BEEF IMPORT AMENDMENTS

(Mr. NELSEN (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. NELSEN. Mr. Speaker, this morning I appeared before the House Rules Committee in support of House Resolution 812 which asks House concurrence in the beef import amendments adopted by the Senate to H.R. 1839.

I include the statement, which I prepared for presentation to the Rules Com-

mittee, in the RECORD at this point in my remarks:

STATEMENT BY CONGRESSMAN ANCHER NELSEN, BEFORE THE HOUSE RULES COMMITTEE, IN SUPPORT OF CONGRESSIONAL ACTION TO PLACE LIMITATIONS ON IMPORTS OF BEEF, AUGUST 5, 1964

Mr. Chairman, I appear in support of House Resolution 812. The situation which has prevailed in the livestock industry for the past year and according to all indications will continue to vex this important segment of our agricultural economy dictates that the House of Representatives concur in the action taken by the Senate to establish reasonable import restrictions on beef, veal, and mutton.

This question of placing import restrictions on meat imports has had a long and stormy legislative history in this the 88th Congress. Following the voluntary agreements entered into with the major exporting countries earlier this year many of us here in the Congress, realizing that these voluntary agreements were not adequate, introduced legislation calling for quota limitations on the imports of beef, veal, and mutton based on a high 5-year average. Here in the House of Representatives these proposals are still pending in the House Ways and Means Committee.

Meanwhile over in the Senate an attempt was made by Senator Hruska, of Nebraska, to amend the wheat-cotton bill by attaching a provision to establish limitations on the imports of beef and beef products. This Hruska amendment was voted down with the assertion that hearings would be held on beef import proposals in due course by the Senate Finance Committee. These hearings were in fact held and the Finance Committee amended H.R. 1839 by adding the beef import provisions which now are contained in the bill which is lying on the Speaker's desk. I might point out that Senator MANFIELD in a statement presented to the U.S. Tariff Commission in May predicted this legislative course when he stated that, "It is my belief that the Finance Committee will report out favorable legislation and then, if my reasoning is right, it will go not to the House, but to a conference committee for consideration and then if agreement is reached, go to both Houses for final consideration."

In past months I have called to the attention of my colleagues here in the House of Representatives rumors stating that a political game was, in fact, being played with this beef import question. I need not go into the details of these rumors at this point, but I am sure, Mr. Chairman, that the great majority of Members of the House of Representatives would not want the House to be looked upon as the obstacle in the path of this legislative proposal. We do not want it said of us that the Senate-passed beef quota legislation was allowed to die over here in the House of Representatives and that the leadership here in the House saw fit to take no action in behalf of the livestock industry of the United States.

Now it will be said that the question of establishing beef import quotas has not been considered by the House Ways and Means Committee and that H.R. 1839 should, in the orderly course of business, be referred to committee for consideration. I would like to point out, however, that time is short. We are nearing the end of this session of the Congress and during the course of the past months, Members of the House have had adequate opportunity to study the great wealth of material which has been presented on the floor of the House of Representatives and over in the Senate. The hearings and report of the Senate Finance Committee have been available and I might point out that a voluminous report of the U.S. Tariff Commission on this same subject was submitted

to the Senate Finance Committee on June 30. Little that is not already known would be developed in further hearings on this question in the House Ways and Means Committee at this point.

I would like to point out further, Mr. Chairman, that although any type of statutory restrictions on the imports of beef is vigorously opposed by the administration, we are faced with the fact that such a proposal—and I might add at this point that the Senate amendment to H.R. 1839 is a reasonable proposal—was adopted with leadership support over in the Senate by a substantial margin of 72 yeas and 15 nays. Actually, 6 of these 15 nay votes were cast by Republicans and only 9 of the 3-to-1 Democrat margin in the Senate voted in support of the administration's position. I might also add, Mr. Chairman, that only 2 Senators of the 17-member Senate Foreign Relations Committee voted to support the administration's position.

If it is the administration's contention that the adoption of such import restrictions would wreck havoc with our pending foreign trade negotiations, then it would seem that a vast majority of the administration's party members in the Senate are of a differing opinion.

Now we certainly do not want to take any action that might place the United States in a difficult position during the course of the GATT negotiations, but I am certain that our allies are aware of our own domestic needs and would expect that we would afford protection for our own livestock industry in much the same manner as they have used import restrictions to protect their domestic industry. After all, the United States has fewer trade barriers to foreign imports of cattle and beef than any other country. I would like to point out that even though the United States has become the largest importer of beef and veal in the world today, the only protection offered the livestock producers in this country is a flat 3 cents per pound tariff rate which was reduced in 1948 from 6 cents per pound. On the other hand, the two heaviest exporters of beef to the United States, Australia and New Zealand, do have substantial restrictions on meat imports. Australia prohibits imports of cattle and beef from the United States under a health restriction and in addition, the Australian Government's tariff board has the authority to impose emergency tariffs or other types of import controls whenever it is deemed necessary to protect Australian producers. New Zealand, likewise, prohibits imports of most meats and packinghouse products.

It is my contention, Mr. Chairman, that the livestock industry here in the United States should be afforded at least some protection from competitive imports in the face of the existing domestic price situation.

I recognize the fact that the level of imports thus far in 1964 is considerably lower than it was in 1963, when it reached the high level of approximately 11 percent of domestic production. This, of course, is due in part to the market situation in European countries where the beef price situation is much more attractive than it has been for some years. While our domestic beef prices have come down, the supply situation in most European countries has driven the price upward. We, of course, have no assurance that this situation will continue and without some reasonable protection, our domestic livestock industry is faced with a potential threat.

Beef production here in the United States has been on a consistent increase since 1957 and all indications point to a continued high level of supply. Although 1964 will set a record high for cattle slaughter and beef production, the number of cattle and calves

on farms on January 1 of next year will again be larger than a year earlier and establish a new record. I might point out, also, that cows and heifers on farms in January of this year reached a new high, continuing the trend of increase which began in 1958.

In closing, Mr. Chairman, I urge that the House concur in the action taken by the Senate on H.R. 1839 and thus place the Congress on record as doing what is necessary for the protection of our domestic livestock industry.

JOBS FOR YOUNG PEOPLE: REALISTIC APPRAISAL NEEDED

(Mr. CLEVELAND (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, the Federal Government can aid employment prospects for young people by providing counseling services and by liberalizing minimum wage requirements, but it is a disservice to American youth to claim that there is a quick and easy solution to unemployment. Proposed Government counseling centers can assist schools in assessing a young person's abilities, give encouragement for needed training, and help guide the individual toward a job. But the Federal minimum wage complicates the job picture for young people because it now stands as an artificial barrier to many young unskilled persons who are not hired by firms due to the cost of training them on the job. Exceptions should be made in minimum wages to give the unskilled a chance to learn while earning reduced but important income.

It should also be remembered in discussing youth unemployment that a principal factor in determining a young person's success in obtaining needed education and employment is his attitude toward education and work. There are limits to what the Federal Government can do to alleviate the employment problems of young people.

The Federal Government can provide counseling centers, aid to school guidance programs, information on job requirements and employment prospects, and assistance to school vocational education programs. But the Federal Government can do little to influence parents in developing proper attitudes for their children. The Government is also limited in influencing local schools and school administrators to undertake needed modernizing and revamping of curriculums.

While the Federal Government cannot solve the problem of unemployment for young people, a liberalized minimum wage and improved counseling would certainly be a significant step in the right direction. But it should be emphasized that there is no quick and easy solution.

I would like to include here in the RECORD a thoughtful editorial, "Jobs for Teenagers," from the Wall Street Journal of July 24:

JOBS FOR TEENAGERS

As the Government mounts a "massive" attack on teenage unemployment, it is important to keep the problem in perspective. Too often its elements, and hence some of

the proposed solutions, tend to get a little distorted.

Statistical reports, for one thing, often overstate the problem itself. While it is true that the teenage jobless rate is three times the figure for workers generally, it is also true that more than one-third of the unemployed youths are seeking only part-time work, in many cases because they're still in school.

Such young people may sorely need the income to remain in school or to help support their parents; their economic problem cannot be lightly dismissed. But it is not the same as the problem of jobless teenagers who must fully support themselves, and it's far different from the problem of adult family breadwinners who cannot find jobs.

In the second place, there is a dangerous tendency to overstate the Federal Government's ability to deal with teenage joblessness. The Government clearly can help, but it neither can nor should try to do the job alone.

For instance, the Government can do little to deter the parents who drive their offspring into academic programs beyond their abilities—and thus into failure and frustration. Nor can it do much with parents who go to the opposite extreme of overpermissiveness and fail to provide children with any incentive for achievement. These problems, along with others that arise in the home, must be solved largely by the parents themselves.

There also are limits to the extent that the Government can influence local schools toward changes that will help keep students interested in education. One useful step along this line has been Washington's nudging of vocational education programs away from their traditional emphasis on agriculture and toward courses of more use in our modern society. But no matter how sound this idea and others may be, putting them into practice is the task of local school administrators.

Though much of the responsibility thus lies with parents and schools, a great deal of it rests with the young people themselves; not all of the motivation can be supplied from outside. If a teenager is lazy or indifferent, he will gain little from the finest of vocational training.

That's why perhaps the most promising aspect of the Government's proposed program is its provision for counseling centers scattered around the country. Supplementing existing school and private services, the counselors would try to gauge a teenager's abilities, possibly encourage him to seek needed training, and attempt to guide him toward a job.

In still another way the Government could, if it would, do much for teenagers: It could lower an artificial economic barrier that keeps many unskilled youths unemployed. This barrier, as University of Chicago economist George Stigler and other experts have shown, is the Federal minimum wage of \$1.25 an hour.

Here again, however, the Government could not do the whole job. States also set minimum wages and labor unions, with their steep starting-pay requirements and other restrictions, raise still higher obstacles. The result is that many employers simply cannot afford to hire unskilled teenagers, for either part- or full-time work, and train them on the job.

As Professor Stigler notes, the idea of lower pay rates won't sit well with some people: "A fine thing," they will say, "to raise the economic status of a boy by lowering his wage rate to a dollar an hour." "A fine thing indeed," I reply, "to raise it from zero to a dollar." Many teenagers, we suspect, would agree with Mr. Stigler.

Thus, parents, private groups, governments and young people themselves, if they work together, can do much to ease the problem.

But it would be a disservice to teenagers for Washington or anyone else to claim a quick and easy solution. And it is a disservice to the public to blow up a problem which is serious enough in some areas into the dimensions of a new national crisis.

(Mr. FOREMAN (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. FOREMAN'S remarks will appear hereafter in the Appendix.]

REAPPORTIONMENT OF STATE LEGISLATIVE BODIES

(Mr. BATTIN (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BATTIN. Mr. Speaker, in order to prevent chaos in the legislative process in the State of Montana, I have introduced a bill to stay the proceedings for reapportionment of State legislative bodies.

By a recent Supreme Court decision it would appear that such an action is necessary and it will also give Congress time to reflect upon a proposal for a constitutional amendment introduced by myself and others recently which would allow one house of a State legislature to be apportioned on a basis other than population.

The time remaining in this session may not be sufficient to complete the careful study that such a proposal merits. Therefore, in view of the threat of the Federal Courts to apply immediately this decision so as to give a State as little as 15 days to comply, I believe it is absolutely essential to the orderly process of representative government that the courts be stayed from further usurpation of the role and function of the legislative branch.

(Mr. MOORE (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. MOORE'S remarks will appear hereafter in the Appendix.]

POSTHUMOUS PRESENTATION 1963 CHENEY AWARD TO MAJ. JAMES R. O'NEILL

(Mr. GROVER (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROVER. Mr. Speaker, the Cheney Award was established in memory of 1st Lt. William H. Cheney, Air Service, who was killed in an air collision at Foggia, Italy, on January 20, 1918. Presented annually by the Chief of Staff, U.S. Air Force, the Cheney Award is given for "an act of valor, extreme fortitude, or self-sacrifice in a humanitarian

interest performed in connection with aircraft."

Maj. James R. O'Neill has been selected for the 1963 Cheney Award. Major O'Neill distinguished himself by extraordinary heroism while acting as advisor-pilot during an aerial flight over the Republic of Vietnam on February 6, 1963. On that date while on a support mission, Major O'Neill's aircraft encountered engine failure while flying at an extremely low altitude over hostile territory. With complete selflessness and devotion to the highest principles of his profession, Major O'Neill elected to remain at the controls to insure the safe bailout of the crew members. By his heroic action, Major O'Neill saved the lives of the crew members at the sacrifice of his own life. Major O'Neill's dedicated and professional performance as a pilot reflects great credit upon his country and the U.S. Air Force. His achievement conforms to the highest traditions and standards established for the Cheney Award. Clusters for both the Distinguished Flying Cross and Purple Heart have been awarded to Major O'Neill posthumously.

Major O'Neill was born December 27, 1922, in Hicksville, Long Island, N.Y. He entered the Army Air Corps in 1943 as an aviation cadet and was commissioned a second lieutenant in 1944. Following separation from the service in 1946 he attended Hofstra College on Long Island and graduated in June 1950. He was recalled to active duty in 1950 and flew 50 combat missions in Korea for which he was awarded the Distinguished Flying Cross, Air Medal, and Purple Heart. Following his return from Korea in 1953 he served as an instructor pilot at Reese Air Force Base, Tex., and subsequently as operations officer at Laon, France, and budget officer of the 26th Air Division, Hancock Field, N.Y. At the time of his death Major O'Neill was assigned to Detachment 2A, 1st Air Commando Wing, on temporary duty in the Republic of Vietnam.

Major O'Neill is the son of Mrs. Carolyn V. O'Neill, Twin Oaks Apartments, 7 York Drive, Huntington Station, Long Island, N.Y., in my congressional district.

I join with Gen. Curtis E. LeMay, Chief of Staff, U.S. Air Force, in expressing my pride in this acknowledgment of the heroism of Maj. James R. O'Neill and my compliments to his very brave mother who received the award yesterday in his memory.

ARCHIE O. DAWSON, U.S. JUDGE

(Mr. LINDSAY (at the request of Mr. SCHADEBERG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LINDSAY. Mr. Speaker, the Nation, the Nation's judiciary, and a great many ordinary people, are the lesser off today because of the death of U.S. Judge Archie O. Dawson, of the southern district of New York.

Judge Dawson, friend of thousands, beloved husband of Barbara, and generous counselor to many, died suddenly

in California following his attendance at the Biennial Conference of the International Bar Association in Mexico City.

The Nation does not often produce men like Archie Dawson. Ten years ago he gave up a very lucrative and very exciting law practice in order to serve the country on the Federal court. I know how much personal sacrifice this meant for Judge and Mrs. Dawson. The U.S. Court for the Southern District of New York, probably the leading and strongest Federal trial court in the country, was immediately strengthened by his presence. He brought to it wise knowledge, a trial lawyer's keen balance, judicial restraint, and great moral fiber. Judge Dawson's death is an immeasurable loss to the Federal judiciary.

Judge Dawson practiced law for 30 years in New York as a partner in the firm of Borr, Hand & Dawson. His achievements were many. He was a fearless defense counsel and trial lawyer. He was enormously respected by the bar and his colleagues on the bench. He was one of the most prominent presidents that the New York Young Republican Club ever had in its 53-year history. In 1933 he led the club in the fight that resulted in the needed reform of the Republican organization in New York County. He was a delegate to the New York State Constitutional Convention in 1933, vice president of the National Republican Club from 1935 to 1937, and an early key adviser and supporter of Gov. Thomas E. Dewey. On several occasions a Moreland Act commissioner on appointment of Governor Dewey.

Mr. Speaker, as Judge Dawson's Representative in Congress, and one who has always been proud to have him as a friend and wise counselor, I want to express my deepest sympathy to Mrs. Dawson and to Judge Dawson's two brothers, Leslie L. Dawson, of Bedford Hills, N.Y., and Stanley Dawson, of New Brunswick, N.J. Their loss is deeply shared by many.

Mr. Speaker, Mr. Don Ross of the New York Herald Tribune, wrote a moving obituary of Judge Archie Dawson, and under unanimous consent I place it in the RECORD at this point:

[From the New York (N.Y.) Herald Tribune, Aug. 4, 1964]

JUDGE ARCHIE O. DAWSON, PRESIDED AT COHN TRIAL

Judge Archie O. Dawson, 65, of the U.S. district court, died yesterday in Los Angeles, Calif., while on a vacation trip, according to word received at his office here. His secretary, Miss Agnes Kennedy, reported that Mrs. Dawson, in a telephone call from California, said the judge had died of a coronary heart attack. He lived at 1088 Park Avenue.

Judge Dawson had celebrated his 10th anniversary on the bench last June 15 with an informal party in the U.S. Courthouse on Foley Square. Active in Republican politics and in legal circles for many years, he was appointed to the bench by President Eisenhower in 1954.

One of his last trials was that of Roy M. Cohn on charges of perjury and conspiring to obstruct justice. In order to hurry the slow trial along, Judge Dawson at times resorted to bench pounding. When a defense lawyer said he wanted to go home because he was tired, Judge Dawson adjourned court

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HIGHLIGHTS: House concurred in Senate version of food-stamp bill. Meat-imports bill was sent to conference. House committee reported Public Law 480 bill. Senate concurred in House amendment to poverty bill. Senate debated foreign-aid authorization bill.

HOUSE

1. FOOD STAMPS. Concurred in the Senate amendments to H. R. 10222, to provide specific statutory authority for a food stamp plan. This bill will now be sent to the President. pp. 18325-8
2. MEAT IMPORTS. Voted to request a conference on H. R. 1839, the meat imports bill. House and Senate conferees were appointed. pp. 18311-25, 18452

3. PUBLIC LAW 480. The Agriculture Committee reported with amendment H. R. 12298, to extend the Agricultural Trade Development and Assistance Act (H. Rept. 1767). p. 18390
4. ALASKA CENTENNIAL. The Judiciary Committee reported without amendment S. 49, to provide for establishment of the Alaska Centennial Commission to study and report on the extent to which the U. S. should participate in the Alaska centennial celebration in 1967 (H. Rept. 1733). p. 18389
5. EXPOSITIONS. The Foreign Affairs Committee reported without amendment H. J. Res. 952, authorizing the President to call upon the States and foreign countries to participate in the International Exposition for southern Calif. (H. Rept. 1737). p. 18390
The Foreign Affairs Committee reported with amendment H. R. 11707, to provide for U. S. participation in the Canadian Universal International Exposition (H. Rept. 1738). p. 18390
6. CROP INSURANCE. The Agriculture Committee reported without amendment S. 277, to authorize extension of crop insurance to 150 additional counties per year rather than 100, as now provided (H. Rept. 1740). p. 18390
7. SEED-SCREENING IMPORTS. The Agriculture Committee reported without amendment H. R. 3607, to amend the Federal Seed Act so as to limit the importation of seed screenings (H. Rept. 1742). p. 18390
8. ASC COMMITTEEMEN. The Agriculture Committee reported without amendment H. R. 9178, to limit terms and provide for staggered terms of ASC committeemen (H. Rept. 1743). p. 18390
9. WATER RESOURCES. The Interior and Insular Affairs Committee reported with amendment H. R. 5118, to authorize the Whitestone Coulee unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Wash. (H. Rept. 1747). p. 18390
The Rules Committee reported a resolution for consideration of H. R. 9752, to preserve jurisdiction over construction of hydroelectric projects on the Colo. River below Glen Canyon Dam. p. 18390
10. COMMUNITY DEVELOPMENT. The Agriculture Committee reported with amendment H. R. 5406, to authorize this Department to cooperate with States and other public agencies in planning for changes in the use of agricultural land in rapidly expanding urban areas and in other nonagricultural use areas (H. Rept. 1757). p. 18390
11. FARM LOANS; NATIONAL PARK. The Agriculture Committee reported with amendment H. R. 8290, to authorize addition of certain FHA-foreclosed lands to the Everglades National Park, Fla. (H. Rept. 1758). p. 18390
12. INFORMATION. The Rules Committee reported a resolution for consideration of H. R. 9586, to provide for establishment of a National Council on the Arts to assist in development of the arts, including photography and motion pictures. p. 18390
13. D. C. APPROPRIATION BILL, 1965. Received the conference report on this bill, H. R. 10199 (H. Rept. 1732). pp. 18268-9
14. INDEPENDENT OFFICES APPROPRIATION BILL, 1965. House conferees were appointed on this bill, H. R. 11296. Senate conferees have already been appointed. p. 18271

The SPEAKER. All time has expired. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 1927, as amended.

Mr. TEAGUE of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 388, nays 0, not voting 42, as follows:

[Roll No. 217]

YEAS—388

Abbltt	Delaney	Jarman
Abele	Dent	Jennings
Abernethy	Denton	Jensen
Adair	Derounlan	Joelson
Addabbo	Derwinski	Johansen
Albert	Devine	Johnson, Calif.
Anderson	Dole	Johnson, Pa.
Andrews, Ala.	Donohue	Johnson, Wls.
Andrews,	Dorn	Jonas
N. Dak.	Dowdy	Jones, Mo.
Arends	Downing	Kahten
Ashbrook	Dulski	Kartha
Ashley	Duncan	Kastenmeier
Ashmore	Dwyer	Kelth
Aspinall	Edmondson	Kelly
Auchincloss	Edwards	Keogh
Avery	Elliott	Kilburn
Ayres	Ellsworth	Kilgore
Baker	Everett	King, Calif.
Baldwin	Evins	King, N.Y.
Barrett	Fallon	Kirwan
Bass	Farbsteln	Kluczynski
Bates	Fascell	Knox
Battin	Feighan	Kornegay
Becker	Findley	Kunkel
Beckworth	Fino	Kyl
Beermann	Fisher	Laird
Belcher	Fogarty	Langen
Bell	Ford	Latta
Bennett, Fla.	Foreman	Leggett
Berry	Forrester	Lennon
Betts	Fountain	Libonati
Blatnik	Fraser	Lindsay
Boggs	Friedel	Lipscomb
Boland	Fulton, Pa.	Long, La.
Bolling	Fulton, Tenn.	Long, Md.
Bonner	Fuqua	McClory
Bow	Gallagher	McCulloch
Brademas	Garmatz	McDade
Bray	Gary	McDowell
Brock	Gathings	McFall
Bromwell	Glaimo	McIntire
Brooks	Gibbons	McLoskey
Broomfield	Gilbert	McMillan
Brotzman	Glenn	Macdonald
Brown, Calif.	Gonzalez	MacGregor
Brown, Ohio	Goodell	Madden
Broyhill, N.C.	Goodling	Mahon
Broyhill, Va.	Grabowski	Marsh
Bruce	Grant	Martin, Calif.
Burke	Gray	Martin, Mass.
Burkhalter	Green, Oreg.	Martin, Nebr.
Burleson	Green, Pa.	Mathias
Burton, Calif.	Griffin	Matsunaga
Burton, Utah	Griffiths	Matthews
Byrne, Pa.	Gross	May
Byrnes, Wis.	Grover	Michel
Cahill	Gubser	Miller, Calif.
Cameron	Gurney	Milliken
Carey	Hagan, Ga.	Mills
Casey	Hagen, Calif.	Minish
Cederberg	Haley	Minshall
Chamberlain	Hall	Monagan
Chelf	Halleck	Montoya
Chenoweth	Halpern	Moore
Clancy	Hanna	Moorhead
Clark	Hansen	Morgan
Clausen,	Harding	Morris
Don H.	Hardy	Morse
Clawson, Del.	Harris	Morton
Cleveland	Harrison	Mosher
Collier	Harsma	Moss
Colmer	Harvey, Ind.	Multer
Conte	Hays	Murphy, Ill.
Cooley	Hebert	Murphy, N.Y.
Corbett	Hechler	Murray
Corman	Henderson	Natcher
Cramer	Herlong	Nedzi
Cunningham	Hoeven	Nelsen
Curtin	Hollifield	Nix
Curtis	Holland	Norblad
Daddario	Horan	O'Brien, N.Y.
Daguerre	Horton	O'Hara, Ill.
Danahy	Hosmer	O'Hara, Mich.
Davis, Ga.	Huddleston	O'Konski
Davis, Tenn.	Hutchinson	Olson, Minn.
Dawson	Ichord	O'Neill

Osmer	Roybal
Ostertag	Rumsfeld
Patman	Ryan, N.Y.
Patten	St. George
Pelly	St. Germain
Pepper	St. Onge
Perkins	Saylor
Phillips	Schadeberg
Pickle	Schenck
Pike	Schneebell
Pillion	Schweiker
Pirnie	Schwengel
Poage	Scott
Poff	Secrest
Pool	Selden
Price	Senner
Pucinski	Sheppard
Purcell	Shipley
Quile	Short
Quillen	Shriver
Randall	Sibal
Reld, Ill.	Sickles
Reld, N.Y.	Sikes
Reifel	Siler
Reuss	Sisk
Rhodes, Ariz.	Skubltz
Rhodes, Pa.	Slack
Rich	Smith, Calif.
Riehlman	Smith, Iowa
Rivers, Alaska	Smith, Va.
Rivers, S.C.	Snyder
Roberts, Ala.	Springer
Roberts, Tex.	Staebler
Robison	Stafford
Rodino	Staggers
Rogers, Colo.	Steed
Rogers, Fla.	Stephens
Rogers, Tex.	Stinson
Rooney, N.Y.	Stratton
Rooney, Pa.	Stubblefield
Roosevelt	Sullivan
Rosenthal	Taft
Roudabush	Talcott
Roush	Taylor

NAYS—0

NOT VOTING—42

Alger	Frelinghuysen	Miller, N.Y.
Baring	Gill	Morrison
Barry	Harvey, Mich.	Olsen, Mont.
Bolton,	Hawkins	Passman
Frances P.	Healey	Pilcher
Bolton,	Hoffman	Powell
Oliver P.	Hull	Rains
Buckley	Jones, Ala.	Rostenkowski
Celler	Kee	Ryan, Mich.
Cohelan	Landrum	Thompson, La.
Diggs	Lankford	Toll
Dingell	Lesinski	Vinson
Finnegan	Lloyd	Wilson, Bob
Flood	Mailliard	Wylder
Flynt	Meador	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Toll with Mrs. Frances P. Bolton.
Mr. Lesinski with Mr. Harvey of Michigan.
Mr. Cohelan with Mr. Miller of New York.
Mr. Dingell with Mr. Alger.
Mr. Morrison with Mr. Frelinghuysen.
Mr. Thompson of Louisiana with Mr. Bob Wilson.
Mr. Passman with Mr. Meador.
Mr. Rains with Mr. Oliver P. Bolton.
Mr. Jones of Alabama with Mr. Mailliard.
Mr. Ryan of Michigan with Mr. Wylder.
Mr. Flynt with Mr. Hoffman.
Mr. Hull with Mr. Barry.
Mr. Landrum with Mr. Buckley.
Mr. Olsen of Montana with Mr. Celler.
Mr. Flood with Mr. Healey.
Mr. Gill with Mr. Powell.
Mr. Rostenkowski with Mr. Diggs.
Mr. Baring with Mrs. Kee.
Mr. Hawkins with Mr. Finnegan.
Mr. Vinson with Mr. Lankford.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend title 38, United States Code, to revise the pension program for veterans of World War I, World War II, and the Korean conflict, and their

widows and children, and for other purposes."

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS INTENDED FOR EXHIBITION

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 814) providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments, and requesting a conference with the Senate, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, with the Senate amendments thereto, be, and the same hereby are taken from the Speaker's table, to the end that the Senate amendments be, and the same are disagreed to and a conference is requested with the Senate upon the disagreeing votes of the two Houses.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the minority side, to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, pending that, I yield myself such time as I may consume.

Mr. Speaker, this proceeding involves the question of quotas on foreign imports of cattle and beef.

A number of bills were introduced earlier in the session, including one by the distinguished gentleman from Florida [Mr. HERLONG] as well as one by me, to meet this situation. They were all referred to the Committee on Ways and Means of the House. But before any action was taken by that committee the Senate acted by attaching a similar bill, as a rider on a House bill. I shall discuss this parliamentary maneuver at some length further on in my comments.

Mr. Speaker, specifically this resolution provides that upon its passage the bill, H.R. 1839, as amended, be taken from the Speaker's table, the Senate amendments be disagreed to, and the bill be sent to conference.

Mr. Speaker, this is a matter which is of great interest to a substantial number of the Members of this House. It affects the cattle industry of this country vitally, and would attempt to help them in a time of great stress to that industry.

Without discussing the merits of the bill, Mr. Speaker, this is a rather unusual situation. I hope the House will give me its attention while I call attention to

the rather unusual parliamentary situation.

We have a situation in the Congress whereby a bill can be passed by the House dealing, let us say, with the propagation of bees, and when that bill goes over to the other body the other body can add an entirely foreign subject—say, for instance, the general question of foreign aid—to that House bill. Then the bill is sent back to the House, usually with the House provisions taken out entirely, and the amendment for foreign aid, or whatever foreign subject it might be, left in the bill.

Mr. Speaker, this is a bad way to legislate, and yet it is something which has been done repeatedly, particularly in the past few years.

As a result of this the Committee on Rules, at the instance of the chairman, set up a subcommittee to study that situation and to bring in an appropriate resolution which would revise the rules of the House so that that kind of parliamentary shenanigan could not go on. I happen to have been the chairman of the subcommittee which reported to the Rules Committee the appropriate amendment to the rules of the House. The amendment would merely provide that if an amendment placed on a House bill were not germane under the House rules it would not be germane when it came back from the Senate.

However, we have been unable to get that resolution out amending the rules. I do not know why, but sometimes it has proven advantageous, I suspect, to those who want to use it. I recall at one time there was a minor bill for the relief of some school district out in Missouri passed by the House and the other body put a whole civil rights bill onto that relief bill and sent it back here to the House. I say it is an abominable thing. That practice should not be pursued, but there is nothing we can do about it as long as the powers that be condone the practice.

Now, what does this do? This resolution would take this Senate amendment to the House bill and send it to conference.

Let me say very frankly again that an effort was made in the Committee on Rules by some of us who are very much interested in getting some relief for the cattle industry to adopt a rule that would accept the Senate amendment. You see, some of us wanted to use this procedure ourselves this time, I being among them. It all depends on whose ox is being gored, you understand, but the practice is still bad. So we wanted to use this gimmick or rule, rather, to take the bill from the Speaker's table and agree to the Senate amendments, which would purportedly give the relief to the cattle people that they crave; namely, some limitation upon imports.

As I said, I am discussing the parliamentary situation rather than the merits of the bill.

Now, that effort failed in the Committee on Rules. On the contrary, the resolution before us today, the resolution of the gentleman from Arkansas, the distinguished and able chairman of the Committee on Ways and Means [Mr.

MILLS], is before us to send it to conference.

I want to say with equal candor again that if I thought that the best interests of the cattle people, of the cattle industry, would be served by following out that original plan, I would ask you here today to vote down the previous question and permit us to amend the resolution by taking the Senate amendments, agreeing to them, and therefore passing the bill. However, there are two reasons why we are not going to ask that. Primarily I am not going to ask that because there is a provision in the Senate amendments which says that that bill would not be operative, would not be effective, during a national emergency declared by the President. I do not know how that got into this bill, but it is in there, and the fact is that we are in a national emergency now which was declared by President Truman in the Korean war situation. We are still in it, and I am advised by those who are learned in the law and the parliamentary situation that this emergency provision would nullify the provisions of the Senate bill.

This being true, we, who are interested in trying to obtain some relief for the cattle industry from these foreign imports, have reluctantly come to the conclusion that our only course is to adopt the present resolution and send the bill to conference. Those representing the industry, I am informed, agree.

The distinguished chairman of the Committee on Ways and Means, the author of this resolution we are considering, the gentleman from Arkansas [Mr. MILLS] has advised many of us, the majority leader and others interested, including myself, that if this resolution is adopted, that he will take it to conference and do his level best to work out some bill that the cattle industry could live with, some kind of compromise, something that could be signed by the President.

But so far as this humble Member of the House is concerned and one who is very much interested in getting the desired relief, I do not see any other course to follow except to send it to conference.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman.

Mr. MONAGAN. As I understand, although this bill, H.R. 1839, purports to apply to wild animals and wild birds, what we are considering at the present time has nothing whatsoever to do with that subject at all; is that correct?

Mr. COLMER. Except that the whole matter will be in conference when the bill goes to conference. I tried to explain a moment ago that entirely foreign substances was placed in this bill.

Mr. MONAGAN. Essentially what we are considering is the quota system to be imposed on the imports of meat?

Mr. COLMER. That is right.

Mr. MONAGAN. Mr. Speaker, I would like to say to the gentleman that apart from the increase in cost that might come and the effect on other countries in the world with whom we are trying to deal at the present time, the thing that

concerns me is the fact that 2 years ago we voted here to set up a new policy on trade. We decided we were going to take away special treatment, we were not going to do anything except to apply this law across the board. It seems to me that in this instance we are making a very special exception wholly in opposition to that policy that applies to manufacturing industries and other enterprises and I personally see no reason for doing it.

Mr. MILLS. Mr. Speaker, will my friend from Mississippi yield to me?

Mr. COLMER. Of course I yield to the distinguished gentleman from Arkansas.

Mr. MILLS. I know my friend can answer the question. In order to keep the issue presently before the House, as my friend from Mississippi has pointed out, it is not at the moment the issue of the merits or demerits of any amendment; the issue is whether or not the House will permit this matter going to conference, to see if some resolution can be had of it that would be in accord with the wishes of the House. Is not that the issue?

Mr. COLMER. If the gentleman is asking me, permit me to say that that is what I was trying to lead up to, and it is the only issue involved. Let me add further, if I may, that I also understand that the distinguished gentleman from Arkansas, if he does not succeed in bringing something back that would be acceptable, the House will be given an opportunity under the Rules of the House to pass judgment on that, and as to whether or not the Senate amendment should be adopted.

Mr. MILLS. Mr. Speaker, will my friend, the gentleman from Mississippi, yield?

Mr. COLMER. I yield to the gentleman from Arkansas.

Mr. MILLS. The gentleman from Mississippi earlier stated my position with which I am in complete accord.

Mr. Speaker, I want to make it clear not only to the gentleman from Mississippi but to all of the Members of the House that I would not be recommending to the House that this or any other matter go to conference if I were not going to conference with the sincere intention of trying to accomplish legislation.

It may be, if I am appointed a conferee and if the others who normally represent the House on these matters are appointed conferees, that we will be unable to resolve this matter at all. That does not mean that this matter would be left in conference, because I have assured the majority leader of the House and I have assured the minority leader of the House and many others that there will be a conference report returned to the House on this subject matter on which the House will pass judgment. Whether the House wants it or not will be up to the majority of the Members of the House.

Mr. Speaker, there will be a conference report, let me put it that way.

Mr. COLMER. I thank the gentleman.

Mr. MILLS. Mr. Speaker, if the gentleman will yield further, I do not want to be misunderstood; I am only saying this after very careful consultation with

others who will be conferees. I do not mean to say that I can handle them, but together I believe we can assure the Members of the House that there will be a conference report.

Mr. COLMER. And if I understood the gentleman correctly—my attention was directed somewhere else for a moment—the House will be given an opportunity to vote?

Mr. MILLS. We will call up a conference report on this subject matter. If the House does not like what we have done, the House can always go back to the Senate amendment.

Mr. COLMER. I understand that is the parliamentary situation, and I thank the gentleman from Arkansas.

Mr. CAREY. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from New York.

Mr. CAREY. I thank my colleague for yielding.

May I say, Mr. Speaker, that I have the utmost confidence in the gentleman from Arkansas, the chairman of the Committee on Ways and Means, to bring forth a compromise. However, more important in my own mind is what is involved here, because if I did not have such confidence, I would most earnestly oppose the resolution, because there is not a doubt in my own mind as I read the Senate amendment that this would result in a tremendous increase in consumer costs throughout the entire country. It would amount to nothing more than a taking of the consumer to the slaughterhouse and putting his pocketbook in a slicing machine.

Mr. Speaker, I do hope that the conferees on the part of the House will resist the Senate amendment in this form. I hope further that the compromise will take into consideration the cost of meat products to the many families who live in large cities where they are already hard put to meet those prices now.

Mr. Speaker, I thank the gentleman for yielding.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield to me?

Mr. COLMER. I gladly yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Speaker, I would like to commend the gentleman for his statement and his clear putting of the question involved here. But I would like to say also that while I am going to vote to send this bill to conference, because this bill is politically conceived and poorly drafted, I think the House has a right to vote on a bill that makes sense. However, I would like to say that under no circumstances do I intend to vote for the bill finally.

Mr. Speaker, this bill would not only increase the prices of beef in this country but this bill will hurt all other products. One of those things that it is going to hurt the most is tobacco. Three out of four of the nations that export beef to us are our largest importers of tobacco.

Mr. Speaker, it will also hurt cotton. It will hurt every other farm product. It will hurt our industries in the big cities. Jobs will be lost in this country as people

in the other countries lose dollars with which to purchase our goods.

Mr. Speaker, this represents a reversal of our stand of 2 years ago when we passed the Trade bill.

Personally, I hope that the bill goes to conference and that it returns to the House and is killed.

In order that all may determine the damage that would be done to the countries and products involved, I am pleased to show the 1963 trade we enjoyed with the countries which sold beef to us.

(Mrs. GRIFFITHS asked and was given permission to revise and extend her remarks.)

U.S. Trade with Australia

[In thousands of dollars]

Year 1963 U.S. exports to Australia:	
Total	436,714
Foodstuffs	5,319
Tobacco and manufactures	19,374
Cotton	9,244
Raw waste cork	10,091
Other crude materials	20,877
Petroleum products	15,712
Animal and vegetable oils and fats	2,139
Chemicals	47,891
Paper, paperboard	8,499
Agricultural machinery	29,754
Metalworking machinery	10,018
Electrical machinery	19,689
Other machinery	86,553
Motor vehicles	54,804
Aircraft	4,300
Other transportation equipment	1,310
Printed matter	13,257
Other manufacturers	76,397
Other products	1,484

Year 1963 U.S. imports from Australia:

Total	314,390
Fresh meat	177,124
Fish	12,221
Sugar and honey	26,853
Ores and metals	11,413
Wool	45,017
Other crude materials	10,094
Lead	7,330
Iron and steel pipes	4,079
Machinery and transportation equipment	1,099
Chemicals	3,753
Other manufactured articles	4,732
Other products	9,147

U.S. Trade with Ireland

[In thousands of dollars]

Year 1963 U.S. exports to Ireland:	
Total	44,773
Maize unmilled	4,783
Other foodstuffs	6,857
Tobacco and manufactures	12,917
Crude materials	2,629
Coal, coke	4,169
Chemicals	2,180
Machinery and transportation equipment	5,903
Other manufactured items	6,106
Other products	280

Year 1963 U.S. imports from Ireland:

Total	43,161
Fresh meat	24,304
Other foodstuffs	3,711
Beverages	1,238
Crude materials	4,730
Machinery and transportation equipment	1,369
Other manufactured items	5,998
Other products	1,808

Year 1963 U.S. Exports to Mexico

[In millions of dollars]

Total	780.6
Food and live animals	68.8
Beverages and tobacco	5.8
Crude materials	50.1
Petroleum products	27.5
Animal, vegetable oils and fats	.7
Chemicals	113.0
Manufactured goods	76.4
Other manufactured goods	49.4
Machinery and transport equipment	363.6
Other commodities	25.0

Year 1963 U.S. Imports from Mexico

[In millions of dollars]

Total	549.4
Meat	25.9
Livestock	38.8
Fish	58.8
Other foodstuffs	167.3
Crude materials	77.8
Mineral fuels	43.3
Chemicals	17.2
Manufactured goods	92.6
Other products	27.8

Year 1963 U.S. Exports to Uruguay

[In millions of dollars]

Total	30.0
Food and live animals	.6
Tobacco and beverages	4.0
Crude materials, inedible except oils	1.6
Petroleum products	1.4
Chemicals	3.7
Machinery and transport equipment	13.0
Other manufactured goods	4.8
Other products	.3

Year 1963 U.S. Imports from Uruguay

[In millions of dollars]

Total	24.3
Meat	5.5
Food and live animals	.1
Crude materials	15.8
Chemicals	.7
Manufactured goods	1.7
Other manufactured goods	.1
Other commodities	.3

Year 1963 U.S. exports to Argentina

[In millions of dollars]

Total	188.3
Food and live animals	1.3
Crude materials	10.2
Mineral fuels	7.5
Chemicals	20.1
Machinery and transportation equipment	112.2
Other manufactures	36.1
Other products	1.0

Year 1963 U.S. imports from Argentina

[In millions of dollars]

Total	162.7
Meat	33.0
Other food stuffs	42.9
Crude materials	55.7
Animal and vegetable oils and fats	4.5
Chemicals	8.6
Manufactured foods	13.0
Petroleum products	4.9

United States Trade with New Zealand

[In thousands of dollars]

Year 1963 U.S. exports to New Zealand:	
Total	71,670
Foodstuffs	1,677
Tobacco and manufactures	2,648
Sulfur	1,967
Petroleum products	2,525
Chemicals	10,376
Machinery and transportation equipment	28,344

*United States Trade with New Zealand—
Continued*

[In thousands of dollars]

Other manufactured articles-----	19,625
Other products-----	4,505
Year 1963 U.S. imports from New Zealand:	
Total-----	171,579
Fresh meat-----	1,146
Other foodstuffs-----	9,493
Wool-----	56,974
Crude hides-----	14,436
Other products-----	9,421

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Missouri.

Mrs. SULLIVAN. I thank the gentleman from Mississippi.

Mr. Speaker, as I understand the parliamentary situation here today, we have two choices, and only two choices. We can vote to send the bill to conference, where the conferees from the Committee on Ways and Means can bring to bear their broad knowledge and experience in this field of import restrictions; or, we can refuse to send it to conference. Presumably that would kill the bill. Actually, however, a vote to prevent it from going to conference would result, I am afraid, in the eventual passage of this restrictive bill in the form in which it passed the Senate. Therefore, much as I oppose the bill the Senate has sent to us, I do not intend to help make its eventual passage easier by voting against sending it to conference.

I am aware of the substantial rise in recent years in beef imports. We are not importing the good quality beef that you and I like to eat. These imports are in low-quality carcasses, used primarily for cheap hamburger and for such items as hot dogs, and bolognas, salami, and the sliced packaged lunch meat items. These products are bought more frequently by the low-income families than steaks, chops, and roasts. Sometimes, I think they use poor judgment in buying these processed foods in preference to lower priced roasts and other fresh cuts, but this will take some educating on the part of the meat industry, and more emphasis on production of lean cuts with less waste fat than the choice cuts so prevalent in the stores.

The point is, however, that lower income families now buy a lot of the products made in part from imported meat, and they would pay much higher prices if this bill becomes law. That is because the domestic industry has been concentrating heavily on the feeding of cattle to Choice grade, and you don't make cheap hamburger and hotdogs and salami out of Choice beef. For one thing it would not be cheap. For another, it would have too much fat—waste. But you would have to do just that if we cut back imports at this time—cut them substantially. The domestic cattle industry could regain a lot of the market for this low-priced type of beef if it would cull out its canners and cutters instead of going in so heavily for increasing the herds. The cattle numbers in this country have soared from 59 million head at the start of 1958 to 79

million in 1964. Now do not tell us that this is because of imports. Most of this is high-grade beef. That is why the Department of Agriculture is spending millions upon millions of taxpayer dollars buying up Choice beef for donation to the school lunch program and to institutions and for donation overseas. Yet the production of manufacturing beef—the kind used in cheap hamburger and in hotdogs—has declined in this country from 4.1 billion pounds in 1957 to 2.8 billion in 1963. The imports have made up the difference. We are not using any more of this kind of beef than we did in 1957, even though the population has expanded.

Mr. Speaker, I know the domestic industry has troubles. That is one of the things we considered when Congress established the National Commission on Food Marketing. We voted to make a study of this problem, among many others affecting the farmer and the consumer. You have given that Commission an important assignment. As a members of that Commission, I promise I will approach this issue with an open mind. I am from Missouri and must be shown—but I am willing to be shown and to acknowledge facts when I see them. Let us send this bill to conference and let the conferees resolve the differences in a practical manner, and then let the National Commission on Food Marketing, which must report by next July, go into the problem thoroughly. If the Commission is to have any influence, and if its recommendations are to mean anything, you must give us your confidence on our integrity in doing the job you assigned to us. This bill short circuits the work of the National Commission on Food Marketing, and strikes hastily at the low-income consumer who is the main customer for the meat you would prohibit from coming to the United States—for meat items not readily available at reasonable prices when manufactured exclusively or primarily from domestic sources.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Iowa.

Mr. GROSS. There are some who would say that we ought not to export tobacco because we are exporting cancer. But the thing that interested me most was a statement of the gentleman from New York that the amendment would increase the price of beef.

Well, Mr. Speaker, that does not necessarily follow. And I wonder if those Members of Congress, who are now so concerned about an increase in the price of food, are not willing to pay a little more since they voted themselves a \$7,500 annual increase in their paychecks?

There are also pay increases to other Federal employees, totaling a half billion dollars. Are they not ready to pay a little bit more for their food? They will pay more for steel and the products of steel.

Mr. COLMER. I thank the gentleman for his contribution. But permit me to come back to the original proposition. We are not debating the merits

of the beef import bill here. If we were I would have some very strong things to state myself on the other side of the question.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Massachusetts.

Mr. BURKE. I wish to point out that I intend to vote against this beef amendment when the time comes to vote on it. It will mean a skyrocketing of the price of beef, lamb, and mutton throughout the entire Nation; it will be the biggest raid the beef trust has made on the pocketbook of the consumer and the poor people of this country. People are paying a lot of attention these days to the cattle industry, but all too little to an even larger interest group in this country—the 190 million American consumers. Every American belongs to this elite group of the most industrious, best fed, and best clothed people in the whole world.

All too frequently the consumer is overlooked in favor of smaller, more homogeneous, better organized groups. We are now in one of these unfortunately classic situations as pressures are being exerted by the cattle industry to get this Congress to legislate quotas on meat imports.

The victim of these import quotas, ostensibly the foreign supplier, is really the American consumer. Everyone cares about him until some specific interest group takes over.

This current drive to set import quotas on meat is especially unfortunate since it would not really help the cattle industry at all. The Tariff Commission's thorough study, just published this June, demonstrates conclusively that heavy domestic overproduction of fed beef, not imports, has caused the cattle industry's troubles.

We cannot afford to restrict our meat imports to artificially low levels. We're not importing in any significant quantity the kind of beef that is important in our domestic production. That is the kind that was under continuing price pressure throughout 1963. We are importing a kind of beef we do not produce enough of at home. We are importing a kind of beef that is equivalent to the beef from our old cows and bulls. This beef is used for hamburgers, for manufacturing hotdogs, sausages, luncheon meats. These are foods our children love. These are foods many American adults love. These are foods our poorer families can afford to eat more often than the big juicy beefsteak.

The statistics of our production and imports of all kinds of beef and of the kind used for hamburgers are set forth in the excellent report of the Tariff Commission which I hope more than a few of us will study firsthand. The only conclusion to be drawn is that imports have been much maligned, but the real loser from a rigid quota system would be the poor consumer.

But the consumer would not be the only loser. More specialized groups, such as farmers themselves, as well as manufacturers and industrial workers stand to lose if the United States imposes import quotas on meats.

The countries that ship us meat would be entitled to retaliate against us for impairing the benefits of tariff concessions we granted them under the GATT in return for similar concessions benefiting American exporters. I understand that this retaliation could hit about \$100 million of American exports. Particularly vulnerable would be our exports of tobacco, automobiles, machinery, cotton, and wood and paper products.

Even more important than what we might lose by retaliation—and that is important enough—is the harm we would do to ourselves in the Kennedy round GATT negotiations now underway. Our aim in these vital negotiations is to expand access for our agricultural and industrial products to all major markets, most especially to the European Economic Community. If we legislate import quotas on meat, we will be undercutting our negotiating position vis-a-vis countries which we need as markets for our exports. And we would lose the support we need from our natural allies in those negotiations—meat-exporting countries like Australia, New Zealand, Argentina, and Uruguay.

In acting on matters such as the meat-import quota bill now before us, we would be shortsighted indeed if we did not stop to consider all the implications of our actions. I for one am convinced that this legislation would not be in the best interests of the United States.

If the cattlemen want to open Pandora's box through this legislation and have us limit meat imports because of the alleged harm they are doing to the cattle industry, then let us limit other imports too. Our shoe industry is feeling import competition. We all know that this is so for textiles, lumber, and many other products. If the Senate version of the meat bill comes to the floor of the House, we must consider the prospect of amendments to it for the benefit of the shoe and textile industries of my State, lumber for the Northwest and other products which other Members of the House will have in mind that they would like to see added to the list.

The wisest action, of course, is for this bill to be defeated or for it to be so changed in conference as to strip it of the major harm that it would do our consumers and our country.

(Mr. BURKE asked and was given permission to revise and extend his remarks.)

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, I would like to suggest that the bill passed the Senate 72 to 15. I find it hard to believe that a bill would have passed the Senate with an improper provision in it, as has been outlined.

I have contacted the Library of Congress, and they tell me the paragraph in the bill that is now being objected to is regarded as prospective; in other words, looking to future emergencies, not past, and it would not apply. Has the gentleman any information on that?

Mr. COLMER. The only information I have on that is that I had exactly the

same reaction that the gentleman is now quoting the Library of Congress on. Also from the same source, I was told, the Library of Congress took the other view. I am inclined to agree with the gentleman, but I had to agree with the lawyers. It is, indeed, strange that the Library should give conflicting views.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Illinois.

Mr. COLLIER. I take this time to clarify one point that I think needs clarification. The distinguished Chairman of the Committee on Ways and Means has indicated to us that we would have an opportunity to vote on the conference report if this goes to conference.

Let us assume that in conference the controversial section of the bill which you raise is stricken, no change is made in the quoted provision, and the bill comes back to the House. What assurance do we have that the then compromise bill out of conference will be acted upon by the Senate?

Mr. COLMER. Well, the gentleman raises a rather difficult question for me to answer. I think that would be a question for the Senate to answer.

Mr. COLLIER. There are some political problems here, and some problems created by what has transpired here.

Mr. COLMER. Quoting the gentleman from Minnesota who just addressed the House, I would say that the Senate having passed this bill 72 to 15, there would be considerable interest in it, and I would think they would follow it through.

Mr. COLLIER. I would think so too if it were not late in the session.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Oregon.

Mr. ULLMAN. I want to commend the chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], for his diligence in trying to arrive at a solution to this problem. When the bill came over from the other body he called a meeting of the committee to work out a bill. We spent a whole day with the Secretary of Agriculture and the Assistant Secretary of State in trying to work out the basis for a bill that would meet the needs of the industry as well as meet the requirements of the Government. I want to say that the gentleman from Arkansas has been most helpful. He has given us assurances that the bill will be brought back for House action, and I hope the Members will send it to conference so that a satisfactory bill can be worked out. The beef producing industry is in trouble. Legislation is essential in this session to assure continued sources of credit for cattlemen and to bolster a badly sagging market. With the assurances we have received, the best chance we have to get a bill enacted into law is to send this bill to conference.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Texas.

Mr. FISHER. I share the views expressed by the gentleman who has just addressed the House. I have every confidence that the conferees will be able to eliminate the ambiguity to which the gentleman has referred in the Senate version of this bill, and likewise report back an acceptable bill with respect to its merits in the House that can be supported, so that the concern that has been expressed by consumers may be cleared up.

I might point out that there has been an unprecedented increase of imports, mutton, lamb and beef, during the past 6 years into this country. During this unprecedented increase, literally a dumping operation, there has been no reduction in what the people pay in the butcher shop. So this bill, which appears to be a very reasonable and moderate one from the standpoint of inspection, still permits more than 1 billion pounds of beef and veal to be imported, more than was admitted in 1957, only 6 years ago. But there is still going to be a tremendous amount of imports. Certainly the consumer is not going to feel it one bit if he has not felt the increase in the last 6 years. So I think the conference will have to clear up an ambiguity here and I think that is very essential in order to make it workable and meaningful. I have every confidence our conferees will do the best they can to work out an agreement.

Mr. Speaker, some have opposed this legislation because they say they represent consumers. So do I. So does every Member of this body. Each of us represents approximately the same number of consumers, who consume about the same amount of meat. In that respect we all have a common interest.

It is in the public interest, and it is in the interest of consumers, that we maintain a fairly healthy, reasonably prosperous cattle industry in this country. We are talking about those who raise cattle, operate on slim profit margins, take all kinds of chances, and often come out on the short end of the horn. We are talking about those growers and feeders who have given the American people the finest quality to be found in meat anywhere in the world. Every consumer owes a debt of gratitude to the American cattle raisers and the feeders. To do otherwise would be to bite the hand that is feeding them.

Moreover, as I have pointed out, there is little relationship between the amount of meat imports and the price the consumer pays for meat in the butcher shops. From 1957 to 1964 imports of lamb into this country increased by 860 percent. Yet the housewife saw little change in lamb cuts. During that same period, covering only 6 years, mutton imports increased by 7,200 percent. But there was little effect on what the consumer paid for mutton products. During that same period, 1957 to 1964, inclusive, annual imports of beef—carcass weight—skyrocketed from 200 million pounds in 1957 to 1.7 billion pounds last year. In 1957 beef imports amounted to 2½ percent of our domestic consumption; in 1964 those imports were 11 percent of our consumption. Yet

despite that unprecedented upsurge in imports there was so little reduction in prices to consumers that it was hardly noticeable.

Under the terms of the Senate-approved bill the rollback on imports of all forms of meat would be very reasonable and very moderate. It would still permit the admission of about 1.2 billion pounds of beef annually and more mutton and lamb meats than are now coming in. The bill would serve to stop the massive dumping operation we have witnessed. Its passage would give the cattle industry a measure of confidence and stability in the future. No one should be heard to object to that. Certainly not with good reason.

Mr. Speaker, it is most unfortunate that we cannot approve the Senate version of this legislation and avoid a conference, with the attendant delay and uncertainty. I appeared before the Rules Committee in support of a resolution which would have permitted a direct vote in the House on the Senate measure. But the committee decided against that course. Since then legal experts discovered a hiatus in the Senate version which would make the Senate-approved legislation a nullity and wholly inoperative if enacted.

The Senate amendment includes the following:

The operation shall be suspended with respect to any period which the President declares to be a period of national emergency.

Since a President in the past has declared the existence of a national emergency, and since that declaration has never been rescinded, it still obtains. Therefore, legal experts reason, if the Senate measure were approved it could not go into effect unless and until the President should rescind the prior declaration.

It follows that the quoted language must be corrected if we are to have meaningful and effective legislation. And under our parliamentary situation the only place to get that done is in conference. Therefore, I support the resolution to send this measure to a conference committee. That seems to be the only course open for us to follow if we hope to get a bill enacted that is effective. We may get nothing, but at least this provides a procedure that could lead to a correction of the gimmick in the Senate version which destroys the usefulness of the legislation.

Mr. COLMER. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I support the resolution to send H.R. 1839 to conference where it can receive the further consideration it needs by the Congress.

This is far-reaching legislation which would vitally affect the consumers of our Nation and which could have a seriously harmful effect on our world trade. It needs more study.

This bill has never been before a committee of the House. No hearings have been held on it. There has been no debate on it. Yet it is of great importance to the future of our country.

Mr. Speaker, I not only urge that this bill be sent to Conference but I do so in hopes that it will be carefully considered there.

I am concerned about legislation that would undoubtedly be harmful to millions of consumers of this Nation and detrimental to our delicate world trade negotiations. I, too, would like to assist the cattle industry of the United States; I am sympathetic with their problem, but this bill would in the long run defeat the ends of all of us, including the beef growers.

This bill to establish beef import quotas might well, and probably will, serve to deny to my low-income families a part of their normal consumption of beef.

The beef that is imported into this country is mainly lower grade and lower priced beef that is used in hamburger, meat balls, hot dogs, sausage, and other processed meat products. Not all of our people can afford to eat steak all the time, Mr. Speaker, but can afford lower priced meats.

The beef industry in the United States I am sure understands this and would not want to be in the position of prejudicing the consumers of the country. The consumers of our country have troubles enough without adding this to their burdens. It should be noted, too, that it is by no means clear that importation of lower grade beef has the effect of depressing the price of domestic, higher grade beef. In other words, the consumers could be hurt and the beef industry not helped.

It would be one thing, Mr. Speaker, if the bill had been well considered, but it has not been. This is an unpreferred way to legislate and the bill ought to go to conference. A bill of the possible consequences of this bill should have this additional consideration.

Mr. Speaker, this bill has another defect, just as important. The legislation runs directly counter to our efforts to open new channels of foreign trade on a reciprocal basis. It is a protectionist bill. If there is anything we have learned from the history of the last 50 years it is that protectionism feeds on itself, stifles trade and induces stagnation and unemployment.

Our Government is now engaged in delicate trade negotiations at Geneva, seeking to lower trade barriers abroad to many of our exports, agricultural and industrial alike. This is no time to jeopardize these negotiations which are so important to the future of our country. This bill would jeopardize those negotiations and hurt our consumers in a great many other areas.

Mr. Speaker, passage of this bill could also be disastrous for our present agricultural export program which is running at a record high of more than \$6 billion a year, helping our farmers and our transportation industries at home and great-

ly benefiting our balance of payments in world trade.

Mr. Speaker, I hope the resolution to send this bill to conference will be adopted.

Mr. LANGEN. Mr. Speaker, as I predicted just a few days ago, the question of whether or not we should curtail the importation of beef in order to protect the prices for beef producers throughout the Nation is before this House for consideration today.

We find it before the House, as I said at that time, in spite of the fact that on that day we authorized an expenditure of over \$43 million that eventually will have as a result the increased production of beef by irrigating lands to produce feed grains and hay.

There are additional ironies in this legislation being before us today. It is not too long ago that we had a similar parliamentary situation relating to the wheat-cotton bill, and more recently, a civil rights bill. In each of those cases, we were told that the only reliable avenue for us to follow then, in order to get the results desired, was that we adopt the amendments of the other body. It was then determined to be of too great a risk to attempt the course of a conference committee. Today, however, with a subject that bears import to a segment of this Nation's populace who have suffered severe economic setbacks in the last year because of the enormous amounts of beef imported, we are now told that this is the only course we can follow.

In view of the fact that we have reached this point with the legislation before us, it seems that we have no alternative but to support the resolution. I do so reluctantly, however, recognizing the great risks that are involved that could prevent, delay, or curtail this most essential and needed action during this session.

May I humbly suggest to those who may be selected as conferees on the part of the House the urgency that prevails that some constructive action ought to be taken during the few remaining days of the session. I sincerely hope that the encouraging promises that we have heard today may become a reality.

I do find, however, some consolation and encouragement in the fact that we do have the matter before us today. I can readily recall when, a little more than 5 years ago, I first made a point of the extent to which our entire agricultural economy was being adversely affected because of imports of agricultural commodities. While it has taken a long time to achieve even this very minor consideration of a most important subject, it does hold promise that this Congress is and will be more cognizant of the relationship of imports to the entire agricultural problem.

There were few listeners 5 years ago, and I sincerely hope that the interest and support that has been voiced and on display here today may in the future develop into even more constructive and rewarding considerations. The provisions of the amendments being sent to conference are truly the very minimum

action that ought to be taken. There have already been sufficient compromises made, and so the report of the conference committee surely should offer nothing less than the provisions of the amendment as it is presently constituted and before the House.

It is hoped that with such action, the respective State and Agriculture Departments might also see fit to express their interest and support, as compared to the opposition they are presently registering, in order that the further decline in farm income might not be encouraged.

The economic plight of farm people throughout the Nation has reached levels comparable to the 1930's, and surely can go unrecognized no longer without serious repercussions to the total national economy.

The American farmer is deserving of his rightful share of our own national consumers' market. At least he ought to be held in equal regard with our concerns for the producers in foreign countries. This has surely not been the case in recent years.

Mr. SHRIVER. Mr. Speaker, I came to the House today to support House Resolution 814. Adoption of the Senate amendment establishing new quotas upon the importation of beef, beef products, lamb and mutton to H.R. 1839 represents a final opportunity for the Congress in this session to come to the assistance of the ailing domestic livestock industry.

Those of us in the House representing cattle-producing areas have tried for the past several months to obtain consideration both from the executive branch of Government and from appropriate committees of the Congress to limit foreign imports of beef. We have long felt that such limitations are necessary to stabilize farm income. In view of assurances of Chairman MILLS and others I am willing for this bill to go to conference.

The livestock sector of our farm economy is extremely important. In my own State of Kansas, livestock products account for more than half of all farm income. For more than a year I have received mail from farmers, packers, milk producers, packinghouse workers, and consumers expressing great concern over the impact of foreign imports upon this vital domestic industry.

The importance of cattle is universal and substantial over the country. They consume about 70 percent of our total volume of harvested crops. Any impairment of the cattle industry affects the feed grain farmer, who is already beset with more than his share of troubles. It means loss, too, to the retail merchants, service businesses, fuel and farm supply dealers, banks, the transportation industry, the meatpacking payrolls and all the jobs they produce.

Mr. Speaker, the domestic cattle industry is economically sick. Actions to date by the administration have provided little assistance. No subsidies are asked or given by this legislation. All that is provided is a more realistic ceiling on foreign imports. It is time for the Congress to act.

Mr. BURLESON. Mr. Speaker, as it has been clearly pointed out in the dis-

cussions here today on this resolution, there is something to be desired in this procedure. I would like to vote immediately on the direct issue of limiting beef imports and place this matter before the President for his approval or disapproval.

Now, Mr. Speaker, there are indications that the other Body of this Congress may not have expected the House of Representatives to accept in full the measure they recently passed by a considerable margin of vote. The Senate passed a good bill and one which would meet a need for the protection of the cattlemen of this country.

As I understand the situation at the moment, imports are down for the very significant reason that cattle prices in this country are not such as to make it a profitable business for imports. Imports are a major factor in causing these conditions, although I would not contend, nor do I know of anyone else who does who has informed himself on the subject, that this accounts for all the difficulties. Be this as it may, I repeat that, in my opinion, imports certainly contributed to the situation to a degree much greater than that attributed by the Secretary of Agriculture.

By sending this measure to conference, this House of Representatives does accept the challenge of the U.S. Senate to do something about this situation, as it is surely going to affect us in the future, if not considerably at the present; but as has been expressed here by several, it could result in an exercise in futility unless all of us, who feel strongly the justification for a remedy to the situation which is causing severe hardship on producers of beefstuff in the United States, are determined to press this matter with every possible effort to a satisfactory conclusion.

For the record, Mr. Speaker, I call attention to the fact that on March 11, I introduced a bill which would accomplish virtually the same thing as that provided in the measure recently passed by the Senate and on which a conference is authorized by the pending resolution. I am, of course, gratified and encouraged that we have gotten this far in meeting this problem but due to the time element and the urgency involved in this matter, immediate action is justified.

Incidentally, Mr. Speaker, with respect to the position of those who contend that retail meat prices will advance to the consumer, let it be pointed out that past history does not indicate this to be the case. As you know, there is now in existence an inquiry as to the spread between the price of live cattle sold by the producer and the price of meat over the counter to the consumer. The situation in this regard is not peculiar or limited to meats, but rather is common to all agricultural products of which I know anything about. This has been the reason for parity in basic agricultural commodities but, of course, has never been applied to the beef industry and, in fact, has been vigorously opposed by cattle raisers. There is nothing unique about meat prices as compared to other products, and it has been shown in some instances the raw product could almost

be given away and it would not make an appreciable difference in the retail price. So, when we may finally get this report back from the conference, authorized by this resolution on which we are about to vote, in all likelihood this will enter into the debate.

But, I say it is a specious argument and one which will be weak in its import when all facts are considered objectively.

The choice of those of us who would like to see something done immediately about meat imports is to vote for this resolution and send this measure to conference with the Senate. At the same time, I join with those who have already expressed themselves in insisting that the conferees of this body bring back the strongest possible language which will be effective in limiting beef imports and which will guarantee the survival of the cattle industry insofar as the factor of imports is having upon a depressed cattle market.

Mr. SMITH of Iowa. Mr. Speaker, after hearing comments made here today, it may come as a surprise to many that Prime and Choice steers broke through the \$26 price level in Chicago yesterday. In fact, three loads of Prime steers sold for \$26.50 per hundredweight. The average for Choice steers was \$25.12 and exceeded the average price of a year ago.

Prices of fed cattle, at \$25 to \$26, are quite a contrast to that of \$20.50 in early June. They clearly reflect the impact and significance of the vigorous programs developed by the President and Secretary of Agriculture Orville L. Freeman. All cattlemen should be thankful for the dynamic manner in which the President and the Secretary have moved and are continuing to move to help them out of the situation with which they were and are confronted.

In the face of a beef supply situation which has been 13 percent greater the first 6 months of the year than a year ago, the Secretary first announced a beef purchase program in early March, which up to this time has moved 164 million pounds of beef from the surplus market and distributed it to people who needed it in their diets; second, established a National Cattle Industry Advisory Committee to guide him in the development of short- and long-range programs for the cattle industry; third, stimulated one of the most vigorous, intensive, and far-reaching merchandising programs for beef ever undertaken in this country; fourth, spearheaded the development of a voluntary import agreement with the major beef importing countries to the United States; fifth, has underway at the present time a program aimed at stepping up our beef exports worldwide but particularly to Europe and exports have already increased 1 percent of our total production; and sixth, has forcefully and intelligently attempted to tell to cattlemen and the public the true story as to why cattle prices have been under pressure; namely, that our problem has been excess domestic production of fed cattle and not imports of a different kind of beef.

Now, one of the things needed was to reduce the average weight of the choice

and prime steers being marketed. Choice steers marketed yesterday at Chicago were 50 pounds per head lighter than they were a few months ago.

This bill would not even do any good even for cattlemen, anyway. It would limit the exports to 803 million pounds a year, which is exactly what they are estimated to be. It also contains a clause preventing it from going into effect and at the same time contains another clause prohibiting flexibility with short supplies. Why do you suppose the oil people and others filled the halls of Congress promoting this bill? Some of them want a round of trade restrictions in their industry and figure this bill will open the door. This is exactly contrary to the 1961 trade bill, and if we start this, the farmers will end up on the short end. We export \$6 billion in farm products, including 20 percent of our feed grains. If we could not export these feed grains, they would be fed in this country, and the result would be a far greater surplus of meat. I urge all of you to take a good look at all of the facts before you vote on the bill when it comes back from conference. I doubt, but hope, that they can construct a bill that will do some good rather than doing harm to agriculture, as the Senate bill would do.

Mr. LLOYD. Mr. Speaker, I believe there has been a great deal of confusion in the minds of many people as to the exact nature of the meat quota legislation.

We are not proposing any cutback in imports.

We are not asking that exporting nations be barred from benefiting from increased consumption in the United States.

We are not suggesting that American producers be protected at the expense of the American consumer.

We are, instead, simply asking that the level of meat imports not increase beyond the average for the last 5 years, when they reached record highs. Further, we are proposing that subsequent increases in demand be accompanied by corresponding increases in the import quota.

In short, we are assuring the exporting nations that: First, their business will not be less than it was during a record high, and second, their business may become even better as the market increases.

Viewed in this light, the bill does not become as restrictive as some people would have us believe. It does, however, say to the American cattlemen that they are going to compete in price and quality but that they will not be confronted by importation of huge volumes of price-plunging low-grade meats.

Mr. CHENOWETH. Mr. Speaker, I rise in support of the resolution sending H.R. 1839 to conference. I would prefer a resolution agreeing to the Senate amendments to this bill, but since this is not possible I am anxious to see the bill go to conference.

I have been urging quotas on imports of beef, veal, mutton, lamb, and other meat products for some time. I have introduced several bills providing for the establishment of such quotas. I feel that

the rapid increase in these imports is a serious threat to our domestic producers and has materially contributed to the heavy losses they have sustained in recent years.

Mr. Speaker, the cattle industry of the United States is in a distressed condition today. I do not claim that this is due entirely to foreign imports of beef. However, beef imports have more than trebled in the last 5 years, and it is obvious imports have had an adverse effect on cattle prices. I have been receiving letters from cattlemen in my district for several years complaining over these imports, and urging Congress to act.

The cattle industry is very important to our economy in Colorado, which ranks 12th in the Nation in the production of cattle. Colorado is recognized as one of the major cattle feeding areas in the country. Cattle feeders in Colorado took a heavy loss last year due to the rapid decline in cattle prices.

Mr. Speaker, I hope that this resolution will be passed by a unanimous vote of the House, so that the bill providing for quotas on foreign imports can go to conference without delay. I am encouraged over the remarks of the chairman of the Ways and Means Committee, the gentleman from Arkansas [Mr. MILLS], concerning the effort he will make to bring in a report at the earliest possible date. In my opinion this House will vote to establish these quotas if given the opportunity to vote on this issue. I hope that this vote can be taken without delay.

Mr. DOLE. Mr. Speaker, it would appear from listening to the debate an earnest effort will be made in conference to arrive at some satisfactory and acceptable solution to the present beef import problems. Despite the statements of Secretary of Agriculture Orville Freeman, Members of this body should clearly understand that expanding beef imports during the past 3 years have and continue to be serious, and furthermore increased imports have adversely affected the economic status of nearly every livestock producer in this country.

There have already been too many statements by too many persons about doing something to relieve the plight of the livestock producer, and if this Congress should adjourn without taking affirmative action, those in the livestock industry will, in my opinion, know the reason why. Frankly, I cannot understand why the Secretary of Agriculture and the President month after month continue to evade the issue and in effect delay, if not completely prohibit, effective legislative action.

The livestock industry is big business in Kansas, and as pointed out in the most recent issue of Kansas it is a vital component in the economic fuel that generates the pulse of industry in the State of Kansas. The excellent article further points out:

A constant stream of red and white cattle flow over the grasslands of the Sunflower State and on into the packinghouses and grocery stores via 16,000 feedlots. The cattle assets of the State stand today as the largest producer of agricultural income having passed wheat last year by \$102 million to total \$537 million.

Hard, cold cash is the barometer by which

a business is judged, and the beef industry is setting a high growth rate for others to follow. The more than one billion pounds of red meat produced annually in Kansas adds \$450 million to the economy of the State through the packing industry which employs 8,900 persons. Over \$90 million each year is spent for feed by cattlemen who represent 5,431,000 head of animals.

The business of breeding and feeding cattle has its romantic side. State and county fairs are an integral part in the education process which every cattlemen continually faces if he is to remain abreast of his competitors in this dynamic industry.

For example, the Kansas State Fair in Hutchinson this year will host, for the first time in history, a Register of Merit Hereford Show. This event brings to Kansas and Kansas Hereford cattlemen an honor extended to only nine other events in the United States. Hereford cattle from all sections in the Nation will pour into the State Fair grounds to parade in front of a judge and thousands of beef producers from Kansas and neighboring states.

The curly, red and white coats of the cattle will glisten with a high gloss on show day because every owner will want his cattle to win an award at this important exposition, and also because in the audience will be many potential buyers for his cattle. Here, in action, will be one of the oldest examples of American free enterprise at work in a setting that epitomizes the wholesome atmosphere of Kansas as a leader in the beef industry.

Why does the beef business go to such lengths to build an industry so specialized and complex? You can get the answer yourself if you will travel along "Mid-Way USA." In towns, large or small, you drive into the filling station and ask an attendant for directions to the best place in town to eat. If his relatives don't own a restaurant, he will most likely refer you to someplace that "has the best steaks." Herein lies the story * * * the best place for steaks * * * is the best place to eat. Kansans are steak-conscious, and rightly so, since they produce the finest beef in the world and are right proud of it.

Mrs. MAY. Mr. Speaker, I am voting to send H.R. 1839 to conference, but I do so with reluctance, the same reluctance so ably expressed by my colleague, the gentleman from Illinois [Mr. ANDERSON].

I was one of the 72 Members of the House to introduce bills to give some relief to the hard-pressed cattle industry.

The current beef crisis is a matter of concern to all Americans. Cattle prices in 1963 averaged \$3.74 per hundredweight under those of 1962. Choice steers the week before last in Chicago sold for \$1.21 per hundredweight under the 1963 average. The obvious result is great distress in the cattle industry.

Since beef is the most popular meat product in America, it is important that the reasons for this drastic price reduction be understood. The most recent comprehensive report on the situation is a publication of the Cooperative Extension Service of Iowa State University. The authors of this report point out that of the \$3.74 per hundredweight reduction in cattle prices last year, \$2.30 was caused by a 6.4-percent increase in beef and veal production, 20 cents of the reduction was caused by increased production of pork and poultry, 40 to 50 cents of this reduction was caused by reduced

byproducts value, 47 cents of the reduction was caused by increased imports of beef, and "part or all" of the remainder "results from the larger supplies of the top grades of cattle."

Retailers say they are concerned about the problem because they are presented with an unstable market in which to buy beef. In order to meet the needs of the American consumer, it is essential that they have a consistent supply of high-quality beef. Obviously a bankrupt cattle industry does not have the capacity to supply the needs of the American consumer.

Retailers last year moved into consumption a record 95 pounds of beef for every man, woman, and child in the United States. Iowa State points out that "if the present production potential materializes, beef consumption could possibly go as high as 100 pounds per person in 1964."

It has been widely recognized that steps to cut down on the crushing supply of beef are necessary. Retailers, in reporting on the efforts they are making, state they have increased the number of beef specials, have substantially increased expenditures for advertising beef, and have resisted upward pressures on beef prices.

In Congress, a large number of us from cattle growing and feeding areas, are sponsoring legislation to impose import limitations on beef and other meat products to scale down the high meat import levels from Australia and New Zealand guaranteed by the recent voluntary agreement negotiated by the executive branch of our Government.

It now seems imperative that all Americans lend maximum effort to the solution of the beef crisis. Beef must continue to represent a good value for the American consumer, and a consistent supply of high-quality beef is essential to maintain such value.

Mr. CAREY. Mr. Speaker. I urge that the House conferees on H.R. 1839 which is to go to conference today under House Resolution 814, vigorously resist the Senate amendment to this measure which provides for restrictions against the importation of beef and beef products.

This amendment, if allowed to become law, will take the consumer to the slaughterhouse in broad daylight and put his pocketbook into the slicing machine for the benefit of the western cattle interests. It is almost unbelievable that at a time when we have organized a Consumer's Advisory Panel to make a study of costs to the consumer that anyone remotely concerned with the family pocketbook would suggest that the consumer, particularly in the large eastern cities, should pay a steeply higher price for the meat on his table by restricting the importation of products from our friends and neighbors in the free world.

This is nothing more than a bull and baloney tax.

I note that this daylight raid by the rustlers not only met with encouragement but was actually advocated as a platform plank at the Cow Palace in San Francisco during the Republican National Convention.

[The Republican platform of 1964 promises] meaningful safeguards against irreparable injuries to any domestic industries by disruptive surges of imports, such as in the case of beef and other meat products, textiles, oil, glass, coal, lumber, and steel.

It is very clear to me that these Cow Palace activities are designed to separate the consumer from his dollars in the market, grant a "beef trust" monopoly to the West, and build more palaces for cows with consumer dollars.

Mr. Speaker, I have heard that the Republican Party has suggested that it might be a good thing if the east coast were severed from the rest of the Nation and shipped out to sea. Now, it would seem that the leadership of that party intends to go a step further. They intend to tax our beef, baloney, hotdogs and cold cuts to such an extent that we will not be able to afford a box lunch as we become driftaways.

I implore the conferees of the House to earnestly resist any attempt to impose this unwholesome, unwarranted and impossible attempt at the plundering of the consumer's pocketbook for the benefit of the "special interests on the hoof."

No one would oppose a study of the apportioning of the meat profit dollar to determine the proper share that is to go to the cattle grower, the feeder and the marketer. Such a study would serve a most useful purpose. However, without such a study, to enact this type of amendment is to assure a wonderful business for the sign painters who will be at Nathan's Famous and every butcher shop and roadside stand, painting price changes to advertise \$1 hamburgers and 50-cent hotdogs.

Mr. MORSE. Mr. Speaker, it is my sincere hope that the action of the House today in requesting a conference with the Senate on H.R. 1839 will not result in approval of the Senate amendments.

In my judgment, this amendment would be one of the most severe blows that could be dealt to the consumer at a time when the rising cost of living already plagues the average housewife in planning meals for her family.

Although it is true that imports of beef have increased in recent years, the supply of this beef has actually declined on a per capita basis. The result is clear: If we had not had access to these imports, prices of inexpensive meat products, such as frankfurters, lubeon meats and hamburger would have skyrocketed.

If we approve the Senate amendment, the burden of higher prices will fall most heavily on the low-income consumer—the very people we voted to help with antipoverty legislation last week.

This amendment is wrong both in its assumptions and in its design. Overproduction of domestic grain-fed beef is the cause of pricing problems, not imports. The effect of this legislation would be to invite retaliation by our trading partners on other items and undermine the U.S. negotiating position at Geneva. In addition, it would result in our violation of international agreements concluded with the four principal suppliers of fresh, chilled, and frozen meat: Ireland, Mexico, New Zealand, and Australia.

Mr. Speaker, economic common sense and international honor demand that we reject this amendment.

Mr. RANDALL. Mr. Speaker, I rise on this matter with some question as to the proper course of action. We know what we want to achieve on behalf of the cattle industry, but we are in some doubt as to which of two legislative courses of action is most appropriate for us to support.

On the one hand, it is quite clear that our domestic cattle producers have recently been in serious economic difficulty because of falling prices per hundred-weight of cattle. Even though cattle are central to our agricultural economy—consuming 80 percent of our corn crop and 70 percent of all the harvested crops in this country—livestock values have dropped nearly \$2 billion in the last 22 months. There are nearly 500,000 head of cattle in my congressional district alone.

Much of this economic difficulty can be attributed to the rise in cattle imports, for as we all know, a small additional increase in the amount of beef on the market can mean sharp reductions in the wholesale price. Just a cursory glance at the record will show that imports in 1963 were 100 times greater than they were in 1954 and 10 times as high as they were in 1957. In 1960 we imported 384 million pounds of boneless, fresh, chilled, or frozen beef. In 1963, the figure had risen nearly threefold to a total of 940 million pounds, or 11 percent of all U.S. beef sales.

The Congress has a clear responsibility to protect this vital segment of our economy from additional foreign inroads on the market until the industry has recovered enough to allow gradual increases in imports.

We know full well that there are those who are opposed to our attempts to protect the welfare of our cattlemen. We recognize that there is some merit in their arguments, but we would stress the pressing nature of the emergency in the cattle industry in answer to them.

Those legislators who are concerned about possible increases in the retail price of beef should recall that most price increases have been the result of increasing the share to the middleman. They should wait for the results of investigations by the new Food Marketing Commission before pressing hastily for action.

Those Members who are concerned about our image in the free world of trade, and our bargaining position in the "Kennedy round" of GATT negotiations need not vote against the main measure. They have options to make suitable amendments without scuttling our cattlemen in the process. Surely at some level—either committee or conference—they can devise statutory wording permitting us to reduce trade barriers after this immediate crisis has passed.

Those Members who are representing importers of cheap, low grade hamburger beef have no choice but to oppose us on the measure.

For our own part, we have tried to be helpful and informative to all of our constituents who are interested in this

problem and by our vote in the Congress we intend to do the very best we can do to alleviate the depressed conditions of our farmers and cattlemen who make their livelihood by production and feeding of beef.

On the other hand, Mr. Speaker—coming back to our original problem—we wonder whether it is better to support the resolution before us by sending the Senate beef bill to conference or to encourage hearings on a new House bill before the Ways and Means Committee.

We are now late in the session. Whether or not the Congress returns after the remaining Convention is problematical and if it is decided to adjourn sine die before the Convention, we have little more than a week remaining in which to perfect a bill.

H.R. 1839 provided for an amendment to the Tariff Act of 1930 to provide for free importation of wild animals and birds intended for exhibition in the United States. The Senate proceeded to amend this act and set up beef, mutton, and lamb quotas, striking all reference to wild birds and animals in the process. Their bill has serious flaws in it that demand careful scrutiny.

For instance, whether by lack of care or through a mistake in the drafting of the amendment, an exception was inserted after the number of pounds of cattle meat listed as a limitation, providing that the operation of these provisions "shall be suspended" during any period the President declares to be a period of "national emergency." Yet the Members all know that the Congress could not now be in session at this late date in our present calendar year if it were not for the legal fiction that we are now in a period of "national emergency."

Those of us with a serious desire to see enacted this year the very best legislation we can hope for in light of the late date of this session are confronted with a difficult dilemma in deciding whether to send the Senate version of H.R. 1839 to conference. The Senate bill now before us contains some provisions that are not only objectionable, but one provision that may make the Senate-passed version inoperative because of the use of the words "national emergency." There are dangers in letting such a bill go to conference without detailed hearings and debate. But on the other hand, if the House were to start over and write its own bill, the Senate might not act on such an improved measure. Thus the effect of an attempt to improve the bill in committee where it belongs might in actuality kill it for this session of Congress.

Hope for any worthwhile or effective legislation limiting the quantities of imports of beef must be based on our trust and faith in the integrity and steadfastness of purpose of the conferees appointed on the part of the House. We must rely at this late date on the ability of these Members in conference with managers on the part of the Senate to write good legislation in the conference committee that will be reported back to both bodies of Congress. We are hopeful and optimistic that these conferees will write provisions that can be acted

upon with the strong support of both bodies and then be approved, rather than disapproved, by the President.

Here, then, is the choice. On the one hand, we can vote against sending the bill, H.R. 1839, to conference and face the stark reality that there could be no legislation this session to limit the importation of beef. On the other hand, we can vote to send the matter to conference with the hope and high expectation that the conferees can meet on a common ground and agree on provisions of limitations on beef imports that can be approved by the President.

We are standing by the last of these two alternatives. We have confidence our conferees will do all that is humanly possible to provide the sorely needed help our American cattlemen deserve.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I hope that I may, in this short time, be able to clarify in some degree the situation that confronts us.

I think I should point out that in 1963 the importation of beef and beef products from Australia and New Zealand, especially, jumped by a great percentage, or amount. So high was the increase in these imports in amount that the livestock producers of the United States found their market prices for cattle were being affected.

Arguments have been made by both proponents and opponents of different legislative measures as to whether or not other reasons might have been at least partially the cause of the drop in cattle prices. But during the year 1963 according to the record, meat prices at the retail counter did not drop to any appreciable extent, while the income of the livestock farmers of the United States did go down to a dangerous figure, where they were all being injured, and some of them were being driven out of business.

Over in the other body recognition of the situation developed, and an amendment to another bill was defeated by a margin of two votes. The amendment was for the purpose of giving relief to the livestock producers of the United States by limiting the imports of meat products from these foreign countries.

Then later on the House of Representatives passed a little bill, H.R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds intended for exhibition in the United States. To that bill the other body, the Senate, adopted an amendment, by a vote I believe of 74 to 15, although it might have been 72 to 15, to reduce imports of beef and beef products from Australia and New Zealand by approximately 30 percent.

These imports have reached a high figure of about 13 percent of the total beef consumption in the United States, according to the information I have. This 30-percent reduction voted by the other body would still permit the importation of beef and beef products from foreign sources a little greater in total amount than the average imports of the same products over the 5-year period from 1957 to 1962, inclusive.

The amended measure was messaged over to the House. Objection was made,

first, to taking the bill from the Speaker's table and agreeing to the Senate amendments. Objections were also made later to taking the bill from the Speaker's table and sending it to conference.

Adoption of the resolutions to take the bill from the Speaker's table and agree to the Senate amendments would have sent the measure to the White House for action. It was introduced by the gentleman from Montana [Mr. OLSEN] and was referred to the Committee on Rules.

The other resolution, to send the bill to conference, was introduced by the gentleman from Arkansas, the chairman of the Committee on Ways and Means [Mr. MILLS].

One of three actions could have been taken. First of all, the Committee on Rules could have reported either one of these resolutions. By the close vote of 8 to 7, it reported the Mills resolution which is now before us, House Resolution 814, to send the bill to conference.

Frankly, those who supported the proposal that the Olsen resolution be adopted and that the bill be taken from the Speaker's table, and the Senate amendments agreed to, expressed the fear that if any other action was taken, the measure would never see the light of day; or that sending it to conference would mean the end of the bill.

However, the Committee on Rules felt it best, in its judgment, as I say by a vote of 8 to 7, to report the Mills resolution which adoption would send it to conference.

It is my understanding, and I want to find out if I may as long as I am on my feet, that the livestock industry has agreed to some sort of an arrangement whereby they will support this resolution to send the bill to conference with the understanding that if a suitable compromise cannot be worked out by the conference committee that the matter will be returned to the House, so that the House itself may take action—if no conference report is agreed to—to either instruct the conferees further or to take the bill from the Speaker's table, as reported from the Senate, and agree to the Senate amendments.

I would like to know, if I may, from someone who can speak for the livestock industry as to whether or not such an arrangement or agreement has been made? I will yield to whoever wants to speak up and tell us what they know about that situation.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. JENNINGS. Let me say first of all, I think the gentleman has described very fully and clearly and emphatically the parliamentary situation in which we find ourselves.

As a livestock producer myself and one who has met constantly with the livestock industry, and one who is in sympathy with them because of the plight that they are in today, I can say that it is my understanding, after having met and after having talked with them, that the situation which the gentleman has described at this time is

exactly their position, with the emphatic understanding that the House will then have the opportunity of voting on the conference report and voting it either up or down; and then have the opportunity to accept the Senate amendment to our wildlife bill.

Mr. BROWN of Ohio. If any other spokesman for the livestock industry has any authoritative information, may I ask that he state it.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from North Dakota.

Mr. SHORT. I do not know that I qualify as an authoritative spokesman for the livestock industry, I say to my friend from Ohio, but the president of the National Cattlemen's Association is a close personal friend of mine and I have known some other livestock people for a long time.

It is my understanding that the gentleman is correct; that they agreed that the bill should go to conference with the understanding—I hope we can emphasize this, because it is really important—the understanding just outlined by the gentleman from Virginia, that if the conference report is not acceptable to the livestock people and to those of us who represent livestock areas in the U.S. Congress, we will have an opportunity to vote on accepting the House bill as amended by the Senate.

Mr. BROWN of Ohio. To save time, I should like to ask a question of the gentleman from Arkansas [Mr. MILLS], the chairman of the Committee on Ways and Means.

If the resolution is adopted and the measure goes to conference, as has been discussed, is my understanding correct that every attempt will be made by the conferees on the part of the House to work out a compromise agreement, or settlement of the issue involved, to the satisfaction of the livestock industry and the Members of the House interested in this matter; and, if such a solution can be brought in as a part of the conference report, that an opportunity will be given to vote that conference report, either up or down; and if the conference report is voted down or not accepted that it will be in order to immediately adopt the Senate amendments to the bill?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. MILLS. If I am a member of the House conference group, I would say we would endeavor to work out a compromise for the Senate amendment which would be acceptable to all people concerned. I have said that we would do our best in that direction. In any event I have said that we would bring back to the House a conference report. That is our intention. We are not going to leave the Members without an opportunity to vote one way or another on this subject matter.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 2 additional minutes.

With the understanding, as stated by the gentleman from Arkansas—that an opportunity will be given to vote upon the conference report—and with the understanding that under the parliamentary procedure which might follow, if the conference report is voted down, another opportunity will be given to adopt the Senate amendments to the bill, and with my understanding such will be satisfactory to the livestock industry and to the many supporters of the Olsen resolution, I agree this resolution should be adopted.

I am making this statement because of the confidence I personally have—and I believe most Members of the House have—in the honesty, the integrity, and I might add the ability of the gentleman from Arkansas [Mr. MILLS] the chairman of the great Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. MILLS. I thank my friend from Ohio for what he has said. I wish to make it eminently clear that this is a most difficult assignment the House conferees will have of trying to bring something back to the House upon which everybody can agree.

We may be able to perform such a miracle. The gentleman from Wisconsin [Mr. BYRNES], and I have discussed this matter on many occasions, but certainly we will bring to the House something whether the House likes it or not.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself one-half minute additional.

Mr. Speaker, I appreciate his statement, may I say to the gentleman from Arkansas. I am very hopeful—and I want to emphasize the word “hopeful”—that all which is done here today, and may be done in succeeding hours or days will not result in final failure to give needed relief to the livestock industry.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, I think I can report for the Kansas livestock industry to say that they are in support of this resolution. Also I want to say to those of you who attempt to speak for the consumers group that this language is already a compromise. The restrictions the livestock industry wanted have been described as the Hruska amendment to the wheat-cotton bill. If that language had been adopted, we would not be in the dilemma we are in today. So I do not think those of you here on the floor who represent consumers groups need to feel apprehensive that those interests will not be well protected by what might happen to this bill. However, I also think it should be said for the Record here today that the livestock industry is not very happy with what is going on here, and they are not being fooled by this procedure or these gestures we are going through today. Frankly, I am not

very hopeful that any effective controls will result from this exercise here today.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. ANDERSON], a member of the committee.

(Mr. ANDERSON asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON. Mr. Speaker, I had come to this Chamber today fully intending to ask the Members of this body to vote down the previous question when it is moved on on this resolution. It was my hope that thereby an amended resolution could then be offered which would provide that we take from the Speaker's table the bill which previously passed the House of Representatives and agree to the Senate amendments. I have decided that I will not do this in view of the assurances that have been given by the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], that a conference committee will meet and they will report back something on which we can vote. However, I would reiterate what the gentleman from Kansas [Mr. AVERY] just said. It is one thing to vote up or down a conference report and it is another thing to have the opportunity, as we might have had here today, to accept the Senate amendments and to get a bill and send it to the White House in order to get some relief for the livestock industry of this country. The gentleman from Arkansas himself has said it is going to take a miracle to get agreement among the conferees on this intensely difficult and complex subject. I do not think the Members of this body ought to be under any illusions at all as to what we are doing here today. We are discriminating against the cattlemen and against the cattle industry of this country. I do not think we ought to be under any illusions at all as to what we are doing here.

I am a little bit curious and I am a little bit dubious about the fact that this late in this session, about a week and a half before we are supposed to adjourn, we have taken this opportunity to tell the great cattle industry of this country, the great livestock-raising areas of this country, “No, we cannot do for you what we have done in the field of civil rights and what we have done for the wheat farmers and what we have done in many, many other areas.” I think this ought to be spread on the Record, that Members today ought to be watching very closely to see that there is not any maneuvering behind the scenes.

Mr. Speaker, it will be said here today that in the interest of orderly procedure we should adopt this resolution to send to conference the House bill to which the other body has added provisions dealing with beef imports. While I certainly have neither the desire nor the intention to challenge the sincerity of those who urge fidelity to what is characterized as usual or normal procedure, I would point out that for many in this Chamber this represents a deathbed type of repentance. It represents a new-found devotion to the conference procedure which

has not been exhibited during earlier actions taken by this House with respect to the wheat-cotton bill and the civil rights bill.

Mr. Speaker, I submit that there ought to be equally valid, yes certainly far more valid reasons than existed in the case of the wheat-cotton bill, for this House to vote down the previous question on this resolution which would send the measure in which so many Members of this House are interested to the dubious and uncertain fate of a conference committee and adopt instead a resolution which would accept the Senate amendment to the House-passed bill. What then, Mr. Speaker, are the reasons that would justify voting against a resolution to send this matter to conference? I have already alluded to the fact that such procedure has been deemed perfectly permissible on previous occasions when the leadership of this body was interested in prompt and expeditious action. I might point out in this connection that there is now pending in the Committee on Rules a resolution authored by the gentleman from Mississippi [Mr. COLMER] which would change the rules of the House in this regard. Briefly, what his resolution would do if adopted would be to provide that a resolution to take from the Speaker's table a House bill for the purpose of concurring in the Senate amendments which amendments which would not have been germane if originally offered in the House, shall require the affirmative vote of two-thirds of those present and voting. I shall vote to so change the rules of this House if we can succeed in getting the gentleman from Mississippi's resolution reported out of the Committee on Rules where it has reposed for some little time.

This leads me to comment on the fact that the charge is often made that legislation is bottled up in the Committee on Rules and that it there meets an untimely end. Mr. Speaker, I wonder if a tabulation of the legislation that has died in a conference committee or legislation that has emerged in such unrecognizable form that it might just as well have perished, would not show that the Rules Committee is not the only legislative graveyard that is dotted with the tombstones of bills that have been strangled to death. I do not impugn for a moment the sincerity of anyone from this body who might serve on a conference committee with respect to the legislation we are here and now discussing. However, it takes "two to tango," and unless the press has become completely unreliable, which I very much doubt, there are some well-laid administration plans to see that this relief legislation—for that is exactly what it constitutes for a hard-pressed sector of our agricultural economy—never reaches the President's desk.

As support for my belief that there is some frantic backstage maneuvering by high administration officials to torpedo this legislation, you need only look at Mr. Freeman's statement of August 3 after meeting with representatives of the American Cattleman's Association. After admitting what we all know—that the economy of many areas of our coun-

try depends on a prosperous cattle industry; that cattle prices have suffered a ruinous decline; that the United States must never become the dumping ground for world beef supplies—he ends by saying to the livestock industry: "On the question of import controls then, so far as the Department is concerned, it is not a question of 'never' but rather 'not now.'" Well, Mr. Speaker, the men of this country who raise livestock and have lost up to \$50 a head on Choice cattle while they have seen prices go tobogganing downward, do not think much of that weak promise of "maybe some day we can do something to help but do not bother us now."

Mr. Speaker, 72 Members of the other body said rather emphatically with their votes the other day that the time is now and not some time after the election or in the dim and misty future.

I introduced a bill along the lines of the Senate amendment last March. So did more than 40 Members of this body—Republicans and Democrats. Six members of the Ways and Means Committee introduced similar legislation. Some hearings were held on this problem before that committee 2 months ago. Mr. Speaker, we have discussed this matter endlessly on this floor in speeches and special orders. I know that my experience in receiving scores, if not hundreds of letters and communications outlining this whole problem in great detail is not unique by any means. Many Members have done what I have done. We have testified before the U.S. Tariff Commission and sought relief through that channel. It has not come. We have personally conferred with Mr. Christian Herter, the President's special representative on trade matters, and with officials in the Department of Agriculture and the State Department. All we have been able to accomplish is represented in a voluntary agreement negotiated some weeks ago with Australia and New Zealand. It is these two countries that, of course, are in large part responsible for the fact that in about a decade the percentage of increase of red meat imports to total domestic consumption has been more than five-fold. At the same time we have seen prices paid domestic livestock producers decline to an 18-year low. In 1962 the imports from these two countries increased 90 percent over the already high rate of 1961. In 1963, they increased 110 percent over what they were in 1961. The cutback provided for in the voluntary agreements will not bring the level of these imports back to the 1959-63 average but will rather cut them back to the 1962-63 average when they were already at fantastically high levels. Is it any wonder then that cattlemen and livestock producers all over the country have assailed these agreements as nothing but a sellout dictated by a State Department that seemingly could not care less about the fate of our domestic producers? That an American Secretary of Agriculture can now profess, as Mr. Freeman does, to see in these agreements a great boon to the American farmer is nothing short of incredible. We had supposed that the U.S. Department of Agriculture was sup-

posed to be interested in American agriculture. However, now he seems to have become just one more of the numerous cooks engaged in stirring up the foreign policy broth.

Mr. Speaker, if the Tariff Commission will not act, if the Secretary of State, or the President's special representative for trade will not act, and if the Secretary of Agriculture will not act, it is high time that the American Congress act now and not perhaps later as Mr. Freeman has suggested. The other body has spoken overwhelmingly. They surely did not propose to do a vain or a useless thing in taking the action that they did. Let us use this occasion here and now—today—to assure the livestock producers of America that we in the House of Representatives are likewise capable of quick and effective action to help save a vital industry and thereby help to restore some measure of economic health not only to that industry alone but all of American agriculture.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. MARTIN].

Mr. MARTIN of Nebraska. Mr. Speaker, in view of the fact that the gentleman from Nebraska objected to the unanimous-consent request of the chairman of the Committee on Ways and Means last week to send this bill to conference, I want to assure the House that in view of the chairman's statements on the floor this afternoon I am in accord with sending this bill to conference at the present time.

I would like further to point out, Mr. Speaker, that the secretary of the National Livestock Feeders' Association has assured me that his association is in agreement with this procedure and that he hopes that proper legislation for relief of the livestock industry may be worked out.

I would like to call the attention of this body to the fact that in June—because this is a continuing serious situation which is adversely and disastrously affecting one of the major segments of the economy of this country, this severe drop in cattle prices—I want to point out to this body that our imports of beef and mutton in June this year were 24 percent greater than they were in 1963. These are figures which I received about 4 days ago from the Department of Agriculture.

Our cattle industry is one of the last independent segments of our economy. They do not want Government help; they do not want Government handouts. I think they are entitled to protection through restrictions of imports of beef into this country because they are one of the finest groups and one of the finest industries we have left today.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield.

Mr. JENNINGS. Mr. Speaker, I think in all fairness we should point out to the Members of the House and especially those who are in sympathy with the plight of the cattlemen this section that deals with national emergencies. It says:

The operation of this headnote shall be suspended with respect to any period which

the President declares to be a period of national emergency.

We would not be here today if we were not in a period of national emergency, because we can meet after July 31 only if we are in a period of national emergency. I, for one, hope that this situation can be worked out in conference so that it will say "may" rather than "shall" if the need be there at all.

Mr. MARTIN of Nebraska. Mr. Speaker, I have confidence in the chairman of the Committee on Ways and Means and the other conferees that they will work this out in the best interests of our livestock and cattle industry in this country who so desperately need this help.

Mr. Speaker, I should like to say that I had a telephone call from one of my ranchers in Nebraska within the last 2 days. He advised me that because of the extremely low prices of cattle that he had lost \$100,000 in the last 12 months. I think it is time that we looked after the interests of our American taxpayers rather than the interests of those in foreign countries.

Mr. BROWN of Ohio. Mr. Speaker, let us express the hope that the livestock producers of this country will find that their hopes are well founded.

Mr. Speaker, I yield 3 minutes to the ranking member of the Committee on Agriculture [Mr. HOEVEN].

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Speaker, I believe we all understand the parliamentary situation. Let me say that I appeared before the Committee on Rules and asked for a rule which would have permitted the House to adopt a rule to accept the Senate amendments. I think that would have been the most direct way to handle the situation and it would have given remedial relief to our cattle feeders. The Committee on Rules, however, by a vote of 8 to 6, decided otherwise. The question before us is whether or not we shall now send the bill to conference. I have faith in the integrity and the honesty of the chairman of the Committee on Ways and Means and in all of the conferees to be appointed. However, I would like to ask the chairman of the Committee on Ways and Means about the timing element and what we may expect in the next few days if the bill goes to conference.

Where do we go from here, Mr. Speaker? Are we going to have a meeting of the conferees promptly so that this matter can be decided within the next day or two? I would be pleased to hear from the chairman of the Committee on Ways and Means.

Mr. MILLS. I am pleased to advise my friend, if he will yield—

Mr. HOEVEN. I yield to the gentleman from Arkansas.

Mr. MILLS. That it is the intention to go to conference at 2:30 tomorrow afternoon if the matter is disposed of in the Senate; that is, the request and the appointment of conferees. They expect to do so today according to my understanding.

Mr. HOEVEN. And if and when the conference report is not approved will the House then have an opportunity to vote immediately to accept the Senate amendments?

Mr. MILLS. I cannot advise the gentleman on that point. I am just not in a position to advise him. All I can say to the gentleman is that it is the intention of those of us who will probably be conferees to expedite the conference and return the conference report to the House.

Mr. HOEVEN. I am glad to have that encouraging statement, but I am still a bit apprehensive.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Indiana.

Mr. HALLECK. Has an arrangement been made by which we will get the papers first?

Mr. MILLS. If the gentleman from Iowa will yield, that can be done, if it is desirable, but it may not be desirable for us to act first.

Mr. HOEVEN. Mr. Speaker, may I say that I share the apprehension of the gentleman from Illinois [Mr. ANDERSON], and others, as to what may happen in conference. I say that for the reason that during the past several months many of us have been told that the administration was strongly opposed to the legislation and that, if passed, it would be vetoed.

Furthermore, the chairman of the Committee on Ways and Means has suggested that there might be some difficulty in agreeing to a proper conference report.

This alone indicates that there may be some innocuous conference report which is not going to help the situation at all. Any conference report which has the approval of the State Department is likely to be a dandy as far as affording our cattle feeders any relief.

I still hope that something constructive will result from sending the bill to conference.

In my judgment, it would have been the better part of wisdom to have agreed to the Senate amendments.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. NELSEN].

(Mr. NELSEN asked and was given permission to revise and extend his remarks.)

Mr. NELSEN. Mr. Speaker, unfortunately at a time when the income in nonfarm operation is going up, farm income has been going down and at this point the parity ratio of farm income is the lowest that it has been for 25 years. It now stands at the deplorable level of 74 percent of parity.

One segment of our agricultural economy that has been hard hit is the livestock feeders. While prices were going down imports were increasing at an unprecedented level. This situation has previously been referred to in this debate.

A tremendous grassroots demand developed requesting legislative relief as far as imports are concerned.

Many of us recall when the Recipro-

cal Trade Act was passed we were assured that the farmers' interests would be protected. I personally feel that in view of the fact that reasonable and fair negotiations obviously did not develop, the farmers were left with only one alternative and that through the legislative process.

We all recall the Hruska proposal which would have amended the wheat-cotton bill to provide limitations on beef imports. This amendment was defeated and soon the grassroots began to speak and loudly.

Some of our farm publications and news commentators indicated that rumors prevailed that the Senate would pass an important limitation bill and then the bill would be conveniently lost in the House. This procedure would take the politically embarrassed Senators off the hook.

We are now faced with a decision as to procedure and as to provisions in the Senate bill that some now declare would make the bill inoperative because of the reference to national emergencies.

I submitted to the Library of Congress a request for a clarification on this point which I wish to insert at this point in the RECORD.

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D.C., August 10, 1964.

To: Hon. ANCHER NELSEN (Attention of Mr. Donald W. Oisen).

From: American Law Division.

Subject: Viability of Korean national emergency.

This will refer to your request of August 10, 1964, for information on the present effect of the national emergency proclaimed by President Truman during the Korean war. As discussed today on the telephone, we will also furnish a brief statement on the following connected point: If a law is passed now providing that certain tariff restrictions on certain imported commodities shall be suspended during periods of national emergency as proclaimed by the President, would the Korean war emergency have any effect on such law?

To recapitulate our telephone discussion, the national emergency proclaimed by President Truman on December 16, 1950 (15 Federal Register 9029; procl. No. 2914), has never been terminated or modified by the President or by Congress. The emergency was proclaimed as a result of the Red Chinese intervention in the Korean war in late November 1950; in the proclamation the President speaks of the dangers of world conquest by Communist imperialism, obviously in response to the Chinese move. In the summer of 1953, after long negotiation, an armistice was concluded between the United Nations forces and Red China and North Korea; peace has never formally been concluded. One may regard the armistice as a substantial modification of the emergency proclamation, since it removed the immediate conditions which gave rise to that proclamation. In addition to the armistice, there has been a considerable lapse of time since the proclamation, a factor which also lessens its current effectiveness.

However, the decisive factor in relation to the proposed law and the Korean emergency is that the law will most likely be regarded as prospective; that is, speaking from the date of its enactment and looking to the future only. In the absence of language to the contrary, statutes will take effect from the day of their passage or enactment, *Matthews v. Zane*, 7 Wheat. 164; *Robertson v. Bradbury*, 132 U.S. 491. Retro-

active legislation is looked on with great disfavor because of its tendency to be unjust and oppressive, *White v. U.S.*, 191 U.S. 545. With but few exceptions statutes should be construed so that they will have only prospective operation, *Cox v. Hart*, 260 U.S. 427, and, indeed, there is a presumption that the legislature intended its enactments to have this effect—to be effective only in futuro, *Brewster v. Gage*, 280 U.S. 327; *U.S. v. American Sugar Refining Co.*, 202 U.S. 563. Further, a statute expressed in general terms and in the present tense will, as a general rule, be given prospective effect, and considered applicable to conditions coming into existence subsequent to its enactment, even though they were not actually known at the time of the enactment, *Commonwealth v. Welosky* (Mass.), 177, N.E. 656.

Assuming that the law in question does not specifically refer to future times in future language (in which case there clearly would be no room for the operation of the Korean emergency), the rules of statutory construction agree that a law should be held to look to the future only. Thus, the national emergency referred to would mean any future emergency proclaimed by the President. The courts would most likely say that if Congress had intended the 1950 proclamation to be effective, it would have said so.

HUGH C. KEENAN,
Legislative Attorney.

The answer is self-explanatory and, according to this interpretation, the Senate language would be operative.

Reference to national emergencies was referred to in the debate in the Senate on July 28, page 16576, which read as follows:

In the event of national emergency or national disaster in the livestock industry, adjustments can be made in the quota base.

It seems rather strange to me, Mr. Speaker, that a bill as important as this and one that passed the Senate by a vote of 72 to 15 should be inoperative as some now say.

Are we here in the House saying that the majority leader, the majority whip, the minority leader, and whip, as well as many other men of great repute, did not know what they were doing and can it be possible that our legislative procedure has become so careless that we here in the House have before us a bill that is not worth the paper it is written on?

I hope the procedure here recommended does not leave the cattlemen high, dry, and broke.

The statement of the chairman of the Ways and Means Committee may be prophetic and I have in mind his reference to the fact that it could well be a miracle that an acceptable bill could be worked out.

I hope the rumors I have heard prove false and that the House will have an opportunity to vote on a bill that will be effective and helpful to the farmers of America.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Speaker, it is obvious that the parliamentary situation is; it is also obvious we do not know what the effect of the passage of this resolution is going to be. I think the House wants to vote on a livestock import bill this session. We have been prevented from voting on it.

The bill was passed and it went to the Senate. We know the President is against it, we know the State Department is against it, and we know the Secretary of Agriculture is opposed to it. What we want to do is to vote on the bill, and have the Senate consider it and have this thing decided once and for all. If we do not get a chance, both here and in the Senate, the people are going to hear about it. Most of the farmers who are affected in the State of Florida belong to the other side of the aisle, politically. But they know what is going on, and they are going to be watching carefully to see exactly what happens on this bill. I sincerely hope the leadership of this Congress, both in this body and in the other body, will give the Congress a chance to vote on this all-important matter, before we adjourn, a few days hence.

Certainly the American cattle industry deserves as favorable consideration as the foreign cattle industry has received from the executive branch of the Government.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I too appeared before the Rules Committee in support of the Olsen resolution. The Rules Committee saw fit to turn down that resolution.

Mr. Speaker, I have the honor of representing one of the largest cattle-feeding districts if not the largest in the United States. I can tell you my colleagues that many of my cattle feeders are broke today because of low cattle prices, especially young cattle feeders.

Now let us talk about the consumer for a moment. Well of course, we are all consumers but let me remind the Members of this House that the American farmers feed the American people for about 19 percent of their income. While the average in all the other nations of this world is over 60 percent. While the parity income of our farmers today is the lowest since 1939. Does that mean anything to you Members from city districts?

Mr. Speaker, do you not think it is far past the time when this Congress should pass appropriate legislation to deal fairly with this great segment of good Americans?

Of course, Mr. Speaker, my bill H.R. 10099, which I introduced last February 25, is the bill that should have been made law long ago in order that our meat producers would have been treated fairly by their Uncle Sam, but as everybody knows the President and Secretary Freeman and the State Department were then, as now, vigorously opposed to my bill and to every bill introduced in Congress to reduce meat imports.

The full text of my bill H.R. 10099 follows:

A bill to restrict imports of meat and meat products into the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantity of meat and meat products originating in any country which may be entered, or withdrawn from warehouse, for consumption, during any twelve-month im-

port period, shall not (except as provided in section 3) exceed 50 per centum of the average annual quantity of meat and meat products imported from such country during the five-year period ending on December 31, 1963.

SEC. 2. As used in this Act—

(1) the term "meat and meat products" includes (A) beef, veal, lamb, mutton, pork, poultry, and any other meat to which part 2 of schedule 1 of the Tariff Schedules of the United States applies, whether or not prepared or preserved and whether canned, cured, dressed, or in any other form, (B) live animals imported to provide meat of any kind for human consumption, and (C) any food products which contains meat, of any kind or in any form, and which is intended for human consumption; and

(2) the term "twelve-month import period" means the twelve-month period beginning on the date of the enactment of this Act or any subsequent twelve-month period beginning on an anniversary of such date.

SEC. 3. If, during any twelve-month import period (after the first such period), the total United States market for meat and meat products (as estimated by the Secretary of Agriculture) exceeds the total average annual United States market for meat and meat products during the five-year period ending on December 31, 1963, the maximum quantity of meat and meat products which could otherwise be imported into the United States from any country during such period within the limitation imposed by the first section of this Act shall be increased to an amount bearing the same ratio to such quantity as such market during the twelve-month import period bears to such total average annual market during such five-year period.

SEC. 4. Each quantity referred to in the first section of this Act shall be expressed in terms of dollar value, or in terms of such other units (as prescribed by the Secretary of Agriculture) as will permit its magnitude to be measured, or equated or compared with other quantities in determining whether and to what extent the limitation imposed by such section is applicable, without regard to the kinds of meat and meat products or the proportion of the various kinds of meat and meat products which are included in such quantity. In the case of a product which contains but is not composed exclusively of meat, there shall be taken into account, in determining the magnitude of the quantity involved, only so much of such products, or only so much of the value of such products, as constitutes or is attributable to the meat contained therein.

SEC. 5. The Secretary of Agriculture, under regulations prescribed by him jointly with the Secretary of the Treasury, shall make such determinations and establish such procedures as may be necessary or appropriate to carry out this Act.

(Mr. BERRY asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. BERRY addressed the House. His remarks will appear in the Appendix.]

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Speaker, it is difficult to say much about this most complicated situation in 2 minutes. We must recognize the broad support for this legislation in the U.S. Congress. It has already been said that this bill was passed in the Senate by a very substantial majority of 72 to 15. It is worth pointing out, however, that beef import legislation was introduced in the House by 72

Members. I introduced legislation in April of 1963 so there has been ample time for the Ways and Means Committee to have held hearings.

To some people who have expressed concern about the effect of this legislation on consumers, I would point out that the price of beef to the consumer has gone down very little even though beef imports are at an alltime high. The price to the producer has gone down a lot. I am a rancher myself. We sold our calves off our ranch 2 years ago for 32 cents a pound. We are probably going to sell them this year for 24 cents a pound. Western range calves are being contracted now at that price and lower. This is a price reduction of 25 percent to the cattle producer.

I just want to say a word or two about the agreement between livestock representatives and the members of the Committee on Ways and Means. As I understand it, in talking with the livestock organization representatives the people on the Committee on Ways and Means have properly pointed out some revisions that perhaps should be made in the bill passed by the Senate. If this is going to be a meaningful and effective beef import bill we want to be sure there are no loopholes or unworkable provisions.

With the assurances that have been given by the chairman of the Committee on Ways and Means that we will have a chance to vote on the Senate-passed bill if we cannot agree to the conference report when it comes back here, I think we can do no less now than accept these assurances and let this beef import legislation go to conference. If we do not agree with the conference report we will have a chance to vote on the question that I regret we are not going to be able to dispose of today. Time is running out for this session of Congress and I fear we are risking no action on beef legislation because of the limitation of time.

Mr. QUIE. Mr. Speaker, it is unfortunate that the producers of red meats have been given so little consideration this year. First the majority of the other body refused to add an amendment on beef imports to the wheat and cotton bill. Later they got on record as favoring cattlemen by voting for an amendment to a zoo bill, expecting that it will die in the House. Now when it seemed possible to accept the Senate amendments and send the bill immediately to the President, we find that the amendments are deficient and a conference is necessary to improve the bill.

The time is short for action. I hope the assurances given today will enable us to send an adequate bill to the President. It is for this reason that I support the rule and wish to associate myself with the remarks of my colleague the gentleman from North Dakota [Mr. SHORT], who has had a wealth of experience in the cattle business and for whom I have the greatest respect.

Mr. COLMER. Mr. Speaker, I yield the remaining time to the distinguished chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, when this matter was brought before the Rules Committee on the Senate amendment I favored the rule to adopt the Senate amendment. I did so because I am very much interested in the distressing condition of the cattle market and I know something about it from personal experience. If I felt that bill would serve purpose, I would be voting this morning to vote down the previous question and adopt the Senate bill. I am convinced, however, since we held a meeting in the Rules Committee, that if we did do that the bill by reason of this national emergency clause could very probably make the bill totally ineffective from the very beginning. That is not what any of us wants to do, I am sure.

I have come to the conclusion that the best chance we have, and it is only a chance, I think everybody ought to understand that, is to send the matter to the Ways and Means Committee for a conference, with the assurances given us already by the chairman of that committee. I say it is a chance because we are, I think, endeavoring to adjourn here next week, and that gives you less than 10 days to get this thing through all the machinery that it has to go through both in the House and in the Senate. I do not know whether when it gets to the Senate you are ever going to get anything back over here or whether they are ever going to do anything at all. They may or they may not accept it. But I believe the way we are pursuing is the best one, in view of the very short time we have left. As I understood the gentleman from Arkansas, the chairman of the committee, we are assured that this conference report will come back to the House this week, so that we can be on the way to negotiations with the Senate.

Mr. MILLS. No, I had not said it would be possible to bring it back this week. What I said was this:

If the Senate succeeds, as I understand it intends to try, to appoint conferees today, after conferring with the distinguished Senator from the gentleman's State of Virginia, it was agreed we would go to conference at 2:30 tomorrow afternoon. Whether or not we could have the matter back to the House for consideration on Friday, I could not say. I would think it might at the outside possibly be Monday of the following week. Of course, we will try.

Mr. SMITH of Virginia. Can the gentleman give us any definite assurance now as to the latest date that this House will have an opportunity to act on this matter?

Mr. MILLS. I could not give you any definite assurance. There are too many imponderables and matters over which I have no control. We have to file a conference report first. It would be our intention to expedite the conference. Certainly, I am not going to take a whole lot of time trying to settle this in conference.

Mr. SMITH of Virginia. I am sure that you are not.

Mr. MILLS. What I said, as the gentleman will recall, is that we will try to bring something back from conference that will be constructive and helpful. We will bring something back that we can act on and we will do it as expeditiously as we can. I just do not want to say that we will have it back here and have a vote on it on Friday.

Mr. SMITH of Virginia. Or on any other day?

Mr. MILLS. I cannot say it will be Friday. The gentleman asked me if it would be this week.

Mr. SMITH of Virginia. Yes, now I ask the gentleman—what is the latest date?

Mr. MILLS. I told the gentleman that I thought the latest date would probably be Monday. We would be ready on Monday of next week. I do not intend to take 4 or 5 days in conference on this, I will tell the gentleman.

Mr. SMITH of Virginia. I know and I think the House ought to thoroughly understand the whole thing is not in the hands of the chairman of the Committee on Ways and Means.

Mr. MILLS. Absolutely, and I appreciate the gentleman pointing that out.

Mr. SMITH of Virginia. This thing is pretty vital to the cattle people of this Nation. I think we ought to be pretty sure that we are going to get to vote on the matter.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

All time has expired.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

FOOD STAMP ACT OF 1964

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10222) to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 5, strike out "economically needy" and insert "low-income".

Page 2, lines 13 and 14, strike out "in economic need" and insert "with low incomes".

Page 2, line 20, strike out all after "(b)" down to and including line 25 and insert "The term 'food' means any food or food product for human consumption except alcoholic beverages, tobacco, those foods which

are identified on the package as being imported, and meat and meat products which are imported."

Page 4, after line 20, insert:

"(b) In areas where a food stamp program is in effect, there shall be no distribution of federally owned foods to households under the authority of any other law except during emergency situations caused by a national or other disaster as determined by the Secretary."

Page 4, line 21, strike out "(b)" and insert "(c)".

Page 5, strike out lines 4 to 16, inclusive, and insert:

"SEC. 5. (a) Participation in the food stamp program shall be limited to those households whose income is determined to be a substantial limiting factor in the attainment of a nutritionally adequate diet.

"(b) In complying with the limitation on participation set forth in subsection (a) above, each State agency shall establish standards to determine the eligibility of applicant households. Such standards shall include maximum income limitations consistent with the income standards used by the State agency in administration of its federally aided public assistance programs. Such standards also shall place a limitation on the resources to be allowed eligible households. The standards of eligibility to be used by each State for the food stamp program shall be subject to the approval of the Secretary."

Page 6, line 17, after "a" insert "low-cost".

Page 11, line 8, after "required," insert "In approving the participation of the subdivisions requested by each State in its plan of operation, the Secretary shall provided for an equitable and orderly expansion among the several States in accordance with their relative need and readiness to meet their requested effective dates of participation."

Page 11, after line 19, insert:

"(g) If the Secretary determines that there has been gross negligence or fraud on the part of the State agency in the certification of applicant households, the State shall upon request of the Secretary deposit into the separate account authorized by section 7 of this Act, a sum equal to the amount by which the value of any coupons issued as a result of such negligence or fraud exceeds the amount that was charged for such coupons under section 7(b) of this Act."

Page 17, lines 11 and 12, strike out "not in excess of \$25,000,000 for the fiscal year ending June 30, 1964;"

Page 17, line 16, after "1967" insert "; and not in excess of such sum as may hereafter be authorized by Congress for any subsequent fiscal year".

Page 18, line 2, after "section," insert "If in any fiscal year the Secretary finds that the requirements of participating States will exceed the limitation set forth herein, the Secretary shall direct State agencies to reduce the amount of such coupons to be issued to participating households to the extent necessary to comply with the provisions of this subsection."

Amend the title so as to read: "An Act to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among low-income households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I simply want to point out that immediately following the debate and discussion on the previous resolution, here

comes a request that we concur in the Senate amendments on another bill which includes a watered down restriction on beef imports.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that I may extend my remarks on the Senate amendments to the bill, H.R. 10222, and that the author of the bill, the gentlewoman from Missouri [Mrs. SULLIVAN] be granted the same permission.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, H.R. 10222 is a long step forward in the Nation's war on poverty. It shares the blessings of our food abundance among our own people. It is my hope and expectation that the House will act finally on this legislation before nightfall and send it on to the President for his signature.

This bill improves, expands and makes permanent the food stamp program that now is operating successfully on a pilot and experimental basis in 45 areas in 22 States, covering some 380,000 persons.

There now are on file in the Department of Agriculture 234 requests for the program from other localities in many States.

The food stamp program, through the pilot operations, has proved to be the most effective method yet devised to insure that all Americans have the opportunity for an adequate diet.

For many years surplus commodities have been distributed by the Government directly to needy persons. The food stamp program operates through the regular food marketing system.

H.R. 10222 establishes a national policy that, in order to promote the general welfare, the Nation's abundance of food shall be utilized cooperatively by the States, the Federal Government, and local governmental units to be maximum extent practicable to safeguard the health and well-being of the Nation's population and raise levels of nutrition among economically needy households.

Moreover, through this legislation, the Congress finds that increased utilization of foods in establishing and maintaining adequate national levels of nutrition will tend to cause the distribution in a beneficial manner of our agricultural abundance and will strengthen our agricultural economy, as well as result in more orderly marketing and distribution of food.

Therefore, H.R. 10222 will permit those households in economic need to receive a greater share of the Nation's food abundance.

Mr. Speaker, I share the concern of the gentleman from Missouri [Mr. JONES] about a situation in which there would be a food stamp plan in operation

in a community but where there might be in the same community, because of the exigencies of circumstances or some peculiarity of State law, a substantial number of families who, for part of the year, for example, might not be able to participate in the food stamp program or to obtain local relief. It would be unconscionable that the provisions of this law, which is designed to alleviate hunger, should operate to deprive persons in such circumstances from the benefits they would otherwise receive under the direct distribution program.

On the other hand, I believe it to be not only wasteful of public funds but highly undesirable from an administrative standpoint that there should be, under any ordinary circumstances, a food stamp program and direct distribution to households operating in the same community.

The fact that a household may have no income at all during portions of the year does not necessarily prevent that household from participating in the food stamp program. If there are circumstances in any community which would prevent many households from being eligible to participate in the stamp program for a temporary period, it seems to me that this could qualify such an area under the "emergency situation" provision of the Senate bill and that the Secretary of Agriculture would be permitted by the language of the Senate bill to institute a direct distribution program of such scope and for such period of time as he might determine necessary to take care of these families.

I have discussed this matter with the Secretary of Agriculture and he informs me that this is the manner in which he believes the language should be construed if the bill is enacted as amended.

Mrs. SULLIVAN. Mr. Speaker, the enactment of H.R. 10222 will go a long way toward outlawing hunger in the United States. More than that, it will assure adequate, nutritious, appetizing diets for millions of Americans, including those now living almost entirely on powdered milk, powdered eggs, dried beans, cornmeal, flour, and other surplus food items.

I introduced my first bill on this subject more than 10 years ago. During all of the Eisenhower administration, this legislation was bitterly opposed in the executive department. Even after Congress enacted my original bill on a 2-year trial basis in 1959 as part of Public Law 480, the previous administration refused even to try it. Now we have an administration which wants to use the food stamp program on a national basis, after having had the political courage to try the idea for 3 years on an experimental basis.

Mr. Speaker, as we finally conclude legislative action on this bill after so many crises in its progress, I want to thank some people by name for their efforts on behalf of this idea. First of all, I want to thank you, Mr. Speaker. Both as Speaker and as former majority leader, you worked long and hard and effectively over the years to help me to have this legislation considered and

It is reasonable to assume that the Republican candidate for the Presidency, under present circumstances, would want to debate his opponent. It is equally reasonable to believe that President Johnson's decision, assuming his candidacy, will be much more difficult. It has been said that President Johnson may suffer unfavorably in comparison with Mr. Kennedy's debate appearances in 1960. His advisers have been reported as urging him not to give his lesser-known opponent the opportunity to debate with him. There have been recollections of the belief prevalent in 1960 that Mr. Nixon lost the election when he consented to debate.

And yet, in 1960, many of Senator Kennedy's advisers had serious reservations about letting him debate with Vice President Nixon. The Vice President was known as a skilled debater and a forceful television personality. His famous "Checkers speech" in 1952 was supposed to have revealed him as a master of the medium. His experience in the administration, his knowledge of inside facts and his close relationship with President Eisenhower added to his prospects. At the time, it might very well have been said that John F. Kennedy was no match for Richard M. Nixon before the camera.

There is, in my opinion, no such thing as a "telegenic" political personality. It is a myth that television can alone make or break a candidate. Television cannot "create" a personality. It can only give the personality that exists a wider audience—in effect, enlarge the meeting place where he appears before the voters.

As a matter of fact, it was much easier in the days of the "front porch" campaign—when nobody but a trickle of party stalwarts saw the candidates except at a few carefully staged rallies—to create a political personality out of thin air. One has to go back no farther than the Harding campaign to suggest that many an inadequate candidate in the past could not have survived the scrutiny permitted the voter by television in 1960. Far from creating synthetic personalities, television can only unmask them.

Both the style and personality of President Johnson, as revealed on television, are different from those of President Kennedy. But the difference is not rooted in television; the two men are in fact different in their personalities and in their styles—off television as well as on.

President Kennedy was a man of distinctive character and characteristics—and they were clearly perceptible on television. So is President Johnson. Indeed, President Johnson seems to have captivated and strengthened the whole country and reassured the world by the warmth and earnestness of his television appearances immediately following his accession to the Presidency. These and other qualities are ones that he brings to the office and that are revealed on television—not what he brings to television and then adapts to the office.

The argument that it would be highly dangerous—or even imprudent, as President Eisenhower thought—for an incumbent President to debate in any forum does not seem to me persuasive. After all, the President has been televised live in news conferences and has been regularly questioned by as many as 200 correspondents on any subject they may wish to bring up. Surely, his opponent for the Presidency would be no less responsible and no less devoted to the national interest than the newsmen.

And surely any audience would recognize the need for restraint on the part of both candidates. As a matter of fact, Mr. Nixon was, in 1960, privy to the highest state secrets, and Mr. Kennedy respected his position.

As for the dangers of direct dialog between the two candidates, they may also be more imagined than real. In many other democ-

racies, heads of government periodically submit to questioning by the opposition as a part of the parliamentary system. This practice is considered a distinct advantage over ours by many political scientists, who envy, for instance, the opposition's power in England to question the Prime Minister on the floor of the House of Commons.

This system depends importantly on the opposition's maintaining the same high degree of responsibility in its questioning that we could certainly expect from a candidate running against an incumbent President. He would have little to gain—and everything to lose—by exceeding the bounds of propriety.

In the final analysis, the public should be the only touchstone to the decision of whether or not there should be debates. It may well be that, under some circumstances, more informal dialogs between candidates would be equally or even more helpful to the voters. It is not a question of what is in the best interests of the candidate. It is not a question of what is in the best interests of broadcasters or any other group. The one, the only, valid question is what is most helpful to the people in the first business of democracy—the free and informed choice of its leadership.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Louisiana [Mr. LONG], the Senator from Rhode Island [Mr. PELL], and the Senator from Tennessee [Mr. WALTERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Pennsylvania would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA] and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Kentucky would vote "nay."

The result was announced—yeas 37, nays 52, as follows:

[No. 534 Leg.]

YEAS—37

Allott
Beall
Bennett
Bible
Burdick
Byrd, Va.
Carlson
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender

Ervin
Gruening
Holland
Johnston
Jordan, N.C.
Jordan, Idaho
McClellan
Mecham
Miller
Morse
Mundt
Pearson
Proxmire

Robertson
Russell
Simpson
Stennis
Symington
Talmadge
Thyrmond
Tower
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—52

Aiken
Bartlett
Bayh
Boggs
Brewster
Byrd, W. Va.
Case
Church
Cooper
Dodd
Douglas
Fong
Fulbright
Gore
Hart
Hartke
Hayden
Hickenlooper

Hill
Humphrey
Inouye
Jackson
Javits
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney

Moss
Muskie
Nelson
Neuberger
Pastore
Prouty
Randolph
Ribicoff
Salinger
Saltonstall
Scott
Smathers
Smith
Sparkman
Williams, N.J.
Young, Ohio

NOT VOTING—11

Anderson
Cannon
Clark
Edmondson

Goldwater
Hruska
Kennedy
Long, La.

Morton
Pell
Walters

So Mr. MORSE's amendment (No. 1211) was rejected.

Mr. FULBRIGHT. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS—MEAT IMPORTS

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD of Virginia. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD of Virginia, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. WILLIAMS of Delaware, and Mr. CARLSON conferees on the part of the Senate.

PAYMENT OF SPECIAL PENSION TO CERTAIN HOLDERS OF THE CONGRESSIONAL MEDAL OF HONOR

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of

both feared and coveted from the beginning. It was unrealistically assumed that the new medium could sell the public a nonentity. A photogenic candidate, it was imagined, skillfully presented over TV, would sweep the country and result in a kind of "government by Nielsen rating."

What we now know about television and elections is infinitely less sensational but far more encouraging. Surveys during the 1950's showed that television was becoming an important source of information to the voter, as the medium developed in terms of both set ownership and news production facilities. By 1960, according to a University of Michigan Survey Research Center team, 60 percent of American voters got most of their information on national elections from television. At the same time, research into the behavioral patterns of voters influenced by radio and television dispelled fears that the new medium could sell candidates like soap.

First, it showed that there was an extremely high tuneout—even of the party faithful—during paid political broadcasts, and that there was a point beyond which candidates occupied the airwaves at their own risk. Adlai Stevenson recognized this in 1952 when, after preempting prime evening time, he received a telegram saying: "I like Ike and I love Lucy. Drop dead."

Second, research indicated that a massive, one-sided political advertising campaign can alienate viewers and actually prove a liability to the candidate it means to promote. British researchers investigating the impact of television in their 1959 election found respondents disliking "the absence of the other party to answer back."

Finally, it was found that one-sided election propaganda rarely converts. Rather, it merely strengthens opinions already held. Moreover, it is the interested and the decided voter who most exposes himself to campaign oratory—probably primarily to confirm his own preformed opinions.

Instinctively sensing such a situation, from the beginning of television, political managers have experimented with new techniques for inviting and holding audience interest. In the 1950 New York gubernatorial campaign, Thomas E. Dewey pioneered the television "talkathon" as a form of paid political advertising. Questions were phoned in to Mr. Dewey, who answered them on the spot. At first glance, the innovation seemed impressive. The columnist John Crosby commented that "a man thinking on his feet is likely to blurt out the truth rather than the well-rounded, wind-filled phrase * * * the old-fashioned campaign speech is a dead form of oratory on television."

This interment of the political monolog was slightly premature. The talkathon was indeed an imaginative, attention-getting device. But in subsequent applications it developed that there was frequently less to it than met the eye. Not always as spontaneous as it seems to be, it could be staged and even rehearsed. Carefully phrased questions, the answers to which could be worked out in committee long before broadcast time, were often the major substance of such programs, rather than genuine questions actually phoned in by the audience.

Such dangers are implicit in any broadcast which is arranged and controlled by a political organization, with a skilled staff determined to "protect" its candidate and to present only a predetermined "image." It is for this reason that the cameras need the freedom, during campaigns, to play their important—and perhaps even crucial—role as objective reporters on political figures and institutions, and should not be limited to service as hired-out facilities to partisan groups.

Network television cameras were able to bring the nominating conventions into the home, and fully reveal the sometimes im-

pressive and sometimes ludicrous proceedings of these vitally important institutions, because they were free to show everything happening on the floor as well as in committee rooms, adjacent corridors and even surrounding hotels. The viewer knew more of what went on, in many cases, than those at the scene.

Of the 1952 Democratic national convention, Philip Hamburger wrote in *The New Yorker*:

"In a sense, television coverage of a national convention turns the entire Nation into a huge town meeting." He called the proceedings "a manifestation of the right of every delegate—and by extension, every citizen—to take a direct part in the choosing of his President."

Conversely, television dealt a fatal blow to nomination by cabal. The television camera pushed open the door of the smoke-filled room with such finality that it is unlikely ever again to take the main event away from the convention floor.

Throughout the presidential campaigns of the 1950's, however, television was severely handicapped by the famous equal-time law. This law prohibits broadcasters from granting free time, or selling paid time, to the Democratic and Republican candidates unless an equal amount of time is offered on the same terms to all minority candidates, who in some elections have numbered as many as 20.

The original intent of the law was simply to prevent broadcasters from giving unfair advantage to one candidate over another. But its practical effect has been to bar debates and other special broadcasts presenting the major candidates, because the cost of providing equal time for all the minor candidates would be prohibitive.

Only a temporary suspension of this law, insofar as it applied to the Presidency, made possible the debates between John F. Kennedy and Richard M. Nixon 4 years ago. Otherwise, television would have had to make equal time available to such candidates as those of the prohibition party, independent American, industrial government, vegetarian, and all the other parties that can meet the very liberal legal requirements, varying from State to State, for appearing on the ballot. It does not require a computer to figure out what an unbearable burden this would place on the broadcaster, not to mention the ordeal it would inflict on the public.

During the first session of the present Congress, both houses passed bills—with minor differences still to be resolved—allowing broadcasters almost the same freedom in 1964 to cover the presidential election campaign as they were given in 1960. Whether this action will result in debates or other broadcasts in which the candidates confront each other in face-to-face discussions, or whether TV will be limited to other ways of revealing the candidates and their views, is of course not certain in view of the death of President Kennedy (he had said on no fewer than three occasions that he would debate his opponent in 1964). It is certain that debates should not be casually dismissed.

True, the 1960 "debates"—or, more properly, joint appearances—were criticized by some on the basis of their format. There is no doubt that the format was far from perfect. In fact, the networks originally suggested a simpler format, which would have engaged the candidates in direct discussion without the interposition of a panel of newsmen.

The candidates, however, preferred a more cautious approach. At the time, we were dealing not with what might be the ideal thing to do, but with a practical situation. We were trying to bring about the most significant innovation in presidential campaigns since popular elections began. Re-

member that these were not only the first broadcast debates between major presidential candidates; they were also the first face-to-face discussions of any kind between presidential candidates in the history of the Republic. (Many forget that Lincoln and Douglas were running not for the Presidency but for the Senate at the time of their famous debates.)

The networks in 1960 were understandably flexible. Indeed, we would have been less than responsible if we had insisted on doing it our way or not at all. Our clear duty was to exercise the opportunities which we sought from the Congress—to bring to the American people, in the language of the Senate Subcommittee on Communications, "the living image of the presidential candidate—how he looks, what he believes, what is his idea of America's future and its place in the world, and how he will exercise the power of the Presidency."

Despite imperfections of timing and format, every one of these objectives was advanced by both the substance and the manner of the joint appearances.

There were some astonishing criticisms of the debates. A magazine editor wrote that "the very fact of arousing the interest of the millions further lowers the level of campaign oratory." Beneath the surface of this charge is the conviction that the electorate is a great mob incapable of listening intelligently to a debate on government. It seems to me this is nothing more than a declaration of the bankruptcy of democracy, and I think it is both premature and fraudulent.

Surely it is better for the candidates to be judged within the sight and hearing of all the voters than to be peddled as myths constructed out of the political mumbo jumbo which has so often in the past reduced the Presidential Office to passiveness and inaction.

A prominent historian criticized the debates on the ground that some of the great Presidents of the past might not have fared so well as their opponents—a rather useless parlor game, especially since the historian did not mention the nonentities, scarcely known to the electorate, who did get into office. Nor did he mention the pressures under which a modern President works.

For example, while Lincoln had months to ponder the secession issue, from his election until the attack on Fort Sumter, Kennedy had little more than days to ponder the Russian missiles in Cuba. Presidents must stand far more demanding pressures of time today, and campaigns, to be revealing of how a man responds to pressures, should be attuned to them.

I hope that the candidates this year will see their way clear to participating in direct dialogs without the interposition of a panel of newsmen to ask the questions. Since the political history of this country has always focused on a few fundamental issues, I believe that it would be most desirable to have some debates on single issues. Such discussions, in depth and at length, could be the single most powerful force in educating our citizens during the campaign, and much of the effect would hold over long after the election.

Additionally, I believe that the vice-presidential candidates should also engage in broadcast debates. CBS has offered the major parties time for such broadcasts as well as for Presidential confrontations.

In letters to the chairman of the Democratic and Republican National Committees—sent, it turned out unhappily, on the day before President Kennedy's assassination—I noted that "it has been truly said that the Vice President is but a heartbeat away from the Presidency." The tragic events of the following day bore sober witness to the ever-present relevancy of the Vice President's qualifications.

August 17, 1964

10. LEGISLATIVE PROGRAM. Sen. Mansfield announced that the Senate would consider today, Tues., the food-for-peace bill, and that later in the week the Senate would take up the Appalachia bill and the conference reports on the bills regarding wilderness, housing, and education, the land-and-water conservation fund, and appropriations for agriculture and military construction. p. 19239

HOUSE

11. PERSONNEL. Passed over without prejudice H. R. 3800, to authorize the waiver of collection of certain erroneous payments made by the Federal Government to certain civilian and military personnel. pp. 19252-3
12. FORESTRY. Passed without amendment, S. 51, to authorize the Secretary of Agriculture to relinquish to Wyo. jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District. This bill will now be sent to the President. p. 19253
13. MINERALS. Passed over without prejudice H. R. 8960, to amend the Mineral Leasing Act of Feb. 20, 1920, to promote the development of coal on the public domain. pp. 19254-5
14. FEED RELIEF. Passed with amendment S. 400, to establish penalties for misuse of feed made available for relieving distress or preservation and maintenance of foundation herds. A similar bill, H. R. 12118, previously passed without amendment, was tabled. pp. 19255-6
15. ALASKA. Passed over without prejudice, S. 49, to provide for the establishment of the Alaska Centennial Commission. p. 19256
16. EXPOSITIONS. Passed with amendment S. J. Res. 162, authorizing the President to call upon the States and foreign countries in the International Exposition for southern Calif. H. J. Res. 952, a similar bill previously passed without amendment was tabled. pp. 19258-9
17. ASC COMMITTEEMEN. Passed with amendments H. R. 9178, to limit terms and provide for staggered terms of ASC committeemen. pp. 19252-6
18. FOOD GRAINS. Passed without amendment H. R. 11846, to permit purchase of processed food grain products in addition to purchase of flour and cornmeal and donating the same for certain domestic and foreign purposes. p. 19262
19. STOCKPILE. Passed without amendment H. R. 12091, to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 9,500,000 pounds of sisal from the national stockpile. p. 19262
20. COMMUNITY DEVELOPMENT. Passed over without prejudice H. R. 5406, to authorize this Department to cooperate with States and other public agencies in planning for changes in the use of agricultural land in rapidly expanding urban areas and in other nonagricultural use areas. p. 19268
21. FARM LOANS; NATIONAL PARKS. Passed over without prejudice, H. R. 8290, to authorize addition of certain FHA-foreclosed lands to the Everglades National Park, Fla. pp. 19269-70
22. FARM LABOR. Passed with amendment S. 524, to provide for the registration of contractors of migrant agricultural workers. A similar bill, H. R. 6242, previously passed under suspension of the rules, was tabled. pp. 19273-7
- Rep. Martin inserted and commended an article, "Bracero Loss Perils State's Billion-Dollar Farm Industry; Nearly All California Could Be Severely Affected Next Year." pp. 19334-5

23. CONTINUING APPROPRIATIONS. Consented that it be in order to consider on Tues. a resolution making continuing appropriations for the month of Sept. p. 19293
24. STATE, JUSTICE, COMMERCE AND JUDICIARY APPROPRIATION BILL, 1965. Both Houses received and agreed to the conference report on this bill, H. R. 11134 (H.Rept. 1817). The House acted on one item in disagreement. This bill will now be sent to the President. pp. 19250-1, 19212-18, 19349
25. MEAT IMPORTS. Received the conference report on H. R. 1839, the meat imports bill (H. Rept. 1824). pp. 19293-5, 19349
26. TARIFFS. Passed under suspension of the rules H. R. 12253, to correct certain errors in the tariff schedules of the U. S. pp. 19295-304
27. WILDLIFE. Received the conference report on S. 793, to provide a permanent basis for the management of the four wildlife refuges in the Klamath Basin, Calif. and Ore. (H. Rept. 1820). pp. 19306, 19349
28. ELECTRIFICATION. Received the conference report on S. 1007, to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority (H.Rept. 1822). pp. 19307-9, 19349
29. RECLAMATION. Passed with amendment S. 1123, to provide for the construction of the Lower Teton division of the Teton Basin Federal reclamation project, Ida. H. R. 2337, a similar bill, previously passed under suspension of the rules, was tabled. pp. 19309-12
Passed with amendment S. 26, to authorize the Secretary of the Interior to construct, operate and maintain the Dixie project, Utah. H. R. 3279, a similar bill, previously passed under suspension of the rules, was tabled. pp. 19312-5
Passed under suspension of the rules S. J. Res. 49, authorizing the Secretary of the Interior to carry out a continuing program to reduce nonbeneficial consumptive use of water in the Pecos River Basin, N. M. and Tex. pp. 19326-30
30. LOANS. Passed under suspension of the rules H. R. 7073, to amend the Consolidated Farmers Home Administration Act so as to increase the limitation on the amount of loans which may be insured under Sec. 308. pp. 19315-6
31. PUBLIC LAW 480. Rejected, 82 to 71, a motion to suspend the rules and pass H. R. 12298, to extend the Agricultural Trade Development and Assistance Act. pp. 19317-26
32. RECREATION. Rep. Dorn expressed his opposition to that section of the land and water conservation fund bill which would permit the Federal Government to charge a fee for boating, fishing, picnicing in recreation areas. p. 19338
The Interior and Insular Affairs Committee reported with amendment H. R. 6925, to provide for the establishment of the Canyonlands National Park, Utah (H. Rept. 1823). p. 19349
33. LANDS. The Interior and Insular Affairs Committee reported with amendment H. R. 8526, to amend the Act of Dec. 22, 1928, relating to the issuance of patents for lands held under color of title, to liberalize the requirements for the conveyance of the mineral estate (H. Rept. 1819). p. 19349
34. WILDERNESS. The "Daily Digest" states that the conferees agreed to file a report on S. 4, to establish a National Wilderness Preservation System. p. D708

WILD ANIMALS—MEAT IMPORTS

-----Ordered to be printed

Mr. MILLS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 1839]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That (a) item 852.20 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, August 17, 1963) is amended to read as follows:

852.20	Wild animals (including birds and fish) imported for use, or for sale for use, in any scientific public collection for exhibition for scientific or educational purposes	Free	Free
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(b) Headnote 1 of part 4 of schedule 8 of such Title I is amended by striking out "item 850.50," and inserting in lieu thereof "items 850.50 and 852.20,".

(c) The amendments made by this section shall take effect on the tenth day after the date of the enactment of this Act.

SEC. 2. (a) It is the policy of the Congress that the aggregate quantity of the articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed 725,400,000 pounds; except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and

the two preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

(b) The Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in subsection (a) which (but for this section) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

(c)(1) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)(2) equals or exceeds 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if there is no limitation in effect under this section with respect to such calendar year, the President shall by proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b)(1).

(2) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)(2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if a limitation is in effect under this section with respect to such calendar year, such limitation shall cease to apply as of the first day of such calendar quarter; except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

(3) The Secretary of Agriculture shall allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. The Secretary of Agriculture shall certify such allocations to the Secretary of the Treasury.

(d) The President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, if he determines and proclaims that—

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry;

(2) the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

(3) trade agreements entered into after the date of the enactment of this Act ensure that the policy set forth in subsection (a) will be carried out.

Any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of this subsection.

(e) The Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of this section.

(f) All determinations by the President and the Secretary of Agriculture under this section shall be final.

And the Senate agree to the same.

That the title of the bill be amended to read as follows: "An Act to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products."

W. D. MILLS,
HALE BOGGS,
JOHN W. BYRNES,
THOS. B. CURTIS,

Managers on the Part of the House.

HARRY F. BYRD,
RUSSELL LONG,
GEO. A. SMATHERS,
JOHN J. WILLIAMS,
FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House provided for the free importation of wild animals and wild birds imported specially for exhibition.

SENATE AMENDMENT

The Senate amendment to the text of the bill struck out all after the enacting clause and inserted new text to impose quotas on imports of certain meat and meat products.

The first section of the Senate amendment would add a new headnote to the Tariff Schedules of the United States.

Paragraph (a) of the new headnote provided basic quotas on imports of five categories of meat and meat products:

- (1) Cattle meat, fresh, chilled, or frozen.
- (2) Goat and sheep meat (except lamb), fresh, chilled, or frozen.
- (3) Lamb meat, fresh, chilled, or frozen.
- (4) Sausages (other than sausages in chief value of pork).
- (5) Beef or veal, prepared or preserved (except sausages).

The quotas were on a quarterly basis and were to apply to each calendar quarter beginning after December 31, 1964.

Paragraph (b) of the new headnote provided for increases in the quotas imposed by paragraph (a) if the average price received in the United States for the animals from which the quota articles are produced equals or exceeds 90 percent of the average parity price for such animals for a 6-month period and the domestic slaughter of such animals for such period exceeds the base amount specified in the amendment. An increase in quota would be in the same ratio as the increase in the domestic slaughter over the base amount specified and would apply for the second and third calendar quarters following the 6-month period.

Paragraph (c) provided exceptions. Subparagraph (i) provided that the operation of the new headnote shall be suspended with respect to any period which the President declares to be a period of national emergency. Subparagraph (ii) provided for the suspension of (or increase in) a quota where, because of a natural disaster to the livestock in the United States from which the quota articles are produced, the United States supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers. Sub-

paragraph (iii) provided that any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

Paragraph (d) provided for the proration of a quota for a calendar quarter on a monthly or more frequent basis where determined by the Secretary of Agriculture as being necessary to prevent the disruption of the orderly operation of the market.

Paragraph (e) required that the weight taken into account for quota purposes be the weight used for customs purposes.

Paragraph (f) authorized the President, whenever he deems it necessary to prevent the entry, at any port of entry in the United States, of excessive quantities of articles in any quota category, to prescribe (within the overall quota for the period) maximum quantities of such articles which may be entered at such port of entry during such period.

Section 2 of the Senate amendment provided that no trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of the first section.

CONFERENCE SUBSTITUTE

Under the conference agreement, new text is substituted for both the text of the bill as passed by the House and the text of the Senate amendment.

Subsection (a) of the first section of the conference substitute amends the Tariff Schedules of the United States to permit the free entry of wild animals (including birds and fish) imported for use, or for sale for use, in any scientific public collection for exhibition for scientific or educational purposes.

Subsection (b) of the first section makes a technical conforming amendment and subsection (c) provides that the amendments made by the first section shall take effect on the 10th day after the date of the enactment of the bill.

Section 2 of the conference substitute relates to provisions for the imposition of quotas on certain meat and meat products.

Subsection (a) provides that it is the policy of the Congress that the aggregate quantity of the articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed 725,400,000 pounds; except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the 2 preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

Subsection (b) of section 2 provides that the Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in sub-

section (a) which (but for sec. 2) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

Paragraph (1) of subsection (c) provides that if the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)(2) equals or exceeds 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if there is no limitation in effect under section 2 with respect to such calendar year, the President shall by proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b)(1).

Paragraph (2) of subsection (c) provides that if the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)(2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if a limitation is in effect under section 2 with respect to such calendar year, such limitation shall cease to apply as of the first day of such calendar quarter; except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

Paragraph (3) of subsection (c) requires the Secretary of Agriculture to allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. Paragraph (3) also requires the Secretary of Agriculture to certify such allocations to the Secretary of the Treasury.

Subsection (d) of section 2 provides that the President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, if he determines and proclaims that—

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry;

(2) the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

(3) trade agreements entered into after the date of the enactment of the bill insure that the policy set forth in subsection (a) will be carried out.

Any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of subsection (d).

It was the understanding of the managers both on the part of the House and of the Senate that the overriding economic interests of the United States referred to in paragraph (1) include largely trade and balance-of-payment considerations. If, for example, the President could expand U.S. exports for dollars significantly, or prevent a drastic decline in such exports, by suspending or increasing meat import quotas, this would be in the overriding national economic interest. If a balance-of-payments deficit were to threaten U.S. fiscal integrity, and if the situation could be materially improved by suspending or increasing quotas, this would be in the overriding national economic interest. Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (2) that in determining whether or not consumer prices of beef are reasonable the primary consideration will be current prices in relation to prices over the immediately preceding years. If prices received by farmers and ranchers for beef cattle in the current year unduly exceed and are expected to continue to exceed unduly through the end of the calendar year average prices over the preceding 5 years, and if furthermore, these prices result in comparable or greater increases in the retail prices of beef, as reflected in reports of the Bureau of Labor Statistics, a basis would be established for suspending quotas. Due consideration would be given, however, to increases in production costs experienced by livestock producers.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (3) that trade agreements would accomplish the same policy set forth in section 2 if they establish conditions that over a reasonable period of time assure a pattern of world trade in beef, veal, and mutton that results in U.S. imports of these meats in amounts consistent with subsection (a).

Subsection (e) provides that the Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of section 2. The conferees particularly had in mind the possibility that the form or packaging of articles included under a quota might be altered in an effort to avoid quota controls. Examples might be (1) the dicing of boneless beef (so that it would, but for such regulations, be entered as a prepared product rather than as fresh, chilled, or frozen), or (2) the packaging of fresh, chilled, or frozen beef or veal in some type of airtight container.

Subsection (f) provides that all determinations by the President and the Secretary of Agriculture under section 2 shall be final.

Authority to control imports by port of entry has not been included under the conference substitute. The conferees recognize that it would be most difficult to administer controls on this basis. However, the problem to be dealt with in this area is the undue concentration of imports in particular ports of entry. It would be hoped that the

President could alleviate any such problems that exist through consultations with supplying countries.

W. D. MILLS,
HALE BOGGS,
JOHN W. BYRNES,
THOS. B. CURTIS,

Managers on the Part of the House.



Mr. Shipley and Mr. Miller of California for, with Mr. Scott against.
 Mr. Toll and Mrs. Frances P. Bolton for, with Mr. Auchincloss against.
 Mr. Gurney and Mr. Pirnie for, with Mr. Adair against.
 Mr. Whalley for, with Mr. Smith of California against.
 Mr. Madden and Mr. Moss for, with Mr. Bob Wilson against.
 Mr. Morrison and Mr. Ashley for, with Mrs. St. George against.
 Mr. Dingell and Mr. Ryan of Michigan for, with Mr. Hoeven against.
 Mr. Nedzi and Mr. Lesinski for, with Mr. Osmer against.
 Mr. Kluczynski and Mr. Charles H. Wilson for, with Mr. Wallhauser against.
 Mr. Brown of California and Mr. Cameron for, with Mr. Williams against.
 Mr. Hanna and Mr. Roybal for, with Mr. Winstead against.
 Mr. Finnegan and Mr. Montoya for, with Mr. McMillan against.
 Mr. McDowell and Mr. Celler for, with Mr. Sibal against.
 Mr. Diggs and Mr. Pucinski for, with Mr. Tollefson against.
 Mr. Randall and Mr. Dawson for, with Mr. MacGregor against.

Until further notice:

Mrs. Evins with Mrs. Kee.
 Mr. Fulton of Tennessee with Mr. Buckley.
 Mr. Pepper with Mr. Staebler.
 Mr. Rains with Mr. Healey.
 Mr. Elliott with Mr. Sheppard.
 Mr. Baring with Mr. Lankford.
 Mr. Landrum with Mr. Bass.
 Mr. Jones of Alabama with Mr. Forrester.
 Mr. Tuten with Mr. Pilcher.

Mr. WAGGONER. Mr. Speaker, I have a live pair with the gentleman from Oklahoma [Mr. ALBERT] and the gentleman from Connecticut [Mr. DADDARIO]. Had they been present they would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

GENERAL LEAVE TO EXTEND

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks prior to the vote on the bill H.R. 9000.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONTINUING APPROPRIATIONS FOR MONTH OF SEPTEMBER TO BE TAKEN UP ON TUESDAY, AUGUST 18

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it be in order tomorrow to consider the resolution making continuing appropriations for the month of September.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON H.R. 1839

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the conferees on the

part of the House may have until midnight tonight to file a conference report to accompany the bill, H.R. 1839.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 1824)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) item 852.20 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, August 17, 1963) is amended to read as follows:

" 852.20	Wild animals (including birds and fish) imported for use, or for sale for use, in any scientific public collection for exhibition for scientific or educational purposes.	Free	Free
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"(b) Headnote 1 of part 4 of schedule 8 of such title I is amended by striking out 'item 850.50,' and inserting in lieu thereof 'items 850.50 and 852.20.'

"(c) The amendments made by this section shall take effect on the tenth day after the date of the enactment of this Act.

"Sec. 2. (a) It is the policy of the Congress that the aggregate quantity of the articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed 725,400,000 pounds; except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the two preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

"(b) The Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

"(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

"(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in subsection (a) which (but for this section) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

"(c) (1) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) equals or exceeds 110 percent

of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if there is no limitation in effect under this section with respect to such calendar year, the President shall be proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b) (1).

"(2) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if a limitation is in effect under this section with respect to such calendar year, such limitation shall cease to apply as of the first day of such calendar quarter; except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

"(3) The Secretary of Agriculture shall allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. The Secretary of Agriculture shall certify such allocations to the Secretary of the Treasury.

"(d) The President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, if he determines and proclaims that—

"(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry;

"(2) the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

"(3) trade agreements entered into after the date of the enactment of this Act ensure that the policy set forth in subsection (a) will be carried out.

Any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of this subsection.

"(e) The Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of this section.

"(f) All determinations by the President and the Secretary of Agriculture under this section shall be final."

And the Senate agree to the same.

That the title of the bill be amended to read as follows: "An Act to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products."

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Managers on the Part of the House.

HARRY F. BYRD,
 RUSSELL B. LONG,
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 FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the House provided for the free importation of wild animals and wild birds imported specially for exhibition.

SENATE AMENDMENT

The Senate amendment to the text of the bill struck out all after the enacting clause and inserted new text to impose quotas on imports of certain meat and meat products.

The first section of the Senate amendment would add a new headnote to the Tariff Schedules of the United States.

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- (1) Cattle meat, fresh, chilled, or frozen.
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The quotas were on a quarterly basis and were to apply to each calendar quarter beginning after December 31, 1964.

Paragraph (b) of the new headnote provided for increases in the quotas imposed by paragraph (a) if the average price received in the United States for the animals from which the quota articles are produced equals or exceeds 90 percent of the average parity price for such animals for a 6-month period and the domestic slaughter of such animals for such period exceeds the base amount specified in the amendment. An increase in quota would be in the same ratio as the increase in the domestic slaughter over the base amount specified and would apply for the second and third calendar quarters following the 6-month period.

Paragraph (c) provided exceptions. Subparagraph (i) provided that the operation of the new headnote shall be suspended with respect to any period which the President declares to be a period of national emergency. Subparagraph (ii) provided for the suspension of (or increase in) a quota where, because of a natural disaster to the livestock in the United States from which the quota articles are produced, the U.S. supplies thereof are inadequate to meet demand at reasonable prices to domestic consumers. Subparagraph (iii) provided that any individual entry having an entry weight of 25 pounds or less shall not be taken into account.

Paragraph (d) provided for the proration of a quota for a calendar quarter on a monthly or more frequent basis where determined by the Secretary of Agriculture as being necessary to prevent the disruption of the orderly operation of the market.

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Paragraph (f) authorized the President, whenever he deems it necessary to prevent the entry, at any port of entry in the United States, of excessive quantities of articles in any quota category, to prescribe (within the overall quota for the period) maximum quantities of such articles which may be entered at such port of entry during such period.

Section 2 of the Senate amendment provided that no trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be

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CONFERENCE SUBSTITUTE

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Subsection (b) of section 2 provides that the Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in subsection (a) which (but for section 2) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

Paragraph (1) of subsection (c) provides that if the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)

(2) equals or exceeds 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if there is no limitation in effect under section 2 with respect to such calendar year, the President shall by proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b)(1).

Paragraph (2) of subsection (c) provides that if the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b)(2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b)(1), and if a limitation is in effect under section 2 with respect to such calendar year, such limitation shall cease to apply as of the first day of

such calendar quarter; except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

Paragraph (3) of subsection (c) requires the Secretary of Agriculture to allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the U.S. market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. Paragraph (3) also requires the Secretary of Agriculture to certify such allocations to the Secretary of the Treasury.

Subsection (d) of section 2 provides that the President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, if he determines and proclaims that—

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry;

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It was the understanding of the managers both on the part of the House and of the Senate that the overriding economic interests of the United States referred to in paragraph (1) include largely trade and balance of payment considerations. If, for example, the President could expand U.S. exports for dollars significantly, or prevent a drastic decline in such exports, by suspending or increasing meat import quotas, this would be in the overriding national economic interest. If a balance of payments deficit were to threaten U.S. fiscal integrity, and if the situation could be materially improved by suspending or increasing quotas, this would be in the overriding national economic interest. Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (2) that in determining whether or not consumer prices of beef are reasonable the primary consideration will be current prices in relation to prices over the immediately preceding years. If the prices received by farmers and ranchers for beef cattle in the current year unduly exceed and are expected to continue to exceed unduly through the end of the calendar year average prices over the preceding five years, and if furthermore, these prices result in comparable or greater increases in the retail prices of beef, as reflected in reports of the Bureau of Labor Statistics, a basis would be established for suspending quotas. Due consideration would be given, however, to increases in production costs experienced by livestock producers.

It was the understanding of the managers both on the part of the House and of the Senate with respect to paragraph (3) that trade agreements would accomplish the same policy set forth in section 2 if they establish conditions that over a reasonable period of time assure a pattern of world trade in beef, veal, and mutton that results in U.S. imports of these meats in amounts consistent with subsection (a).

Subsection (e) provides that the Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of section 2. The conferees particularly had in mind the possibility that the form or packaging of articles included under a quota might be altered in an effort to avoid quota controls. Examples might be (1) the dicing of boneless beef (so that it would, but for such regulations, be entered as a prepared product rather than as fresh, chilled, or frozen), or (2) the packaging of fresh, chilled, or frozen beef or veal in some type of air-tight container.

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Managers on the Part of the House.

TARIFF SCHEDULES TECHNICAL AMENDMENTS ACT OF 1964

Mr. MILLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12253) to correct certain errors in the Tariff Schedules of the United States, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tariff Schedules Technical Amendments Act of 1964".

(b) AMENDMENT OF SCHEDULES.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, an item or other provision, the reference shall be considered to be made to an item or other provision of the Tariff Schedules of the United States (28 F.R., part II, Aug. 17, 1963; 77A Stat., 19 U.S.C., sec. 1202). Each page reference "(p. —)" in this Act refers to the page on which the item or provision referred to appears both in part II of the Federal Register for August 17, 1963, and in volume 77A of the United States Statutes at Large.

(c) CITATION OF SCHEDULES.—Title I of the Tariff Act of 1930, as in effect on or after August 31, 1963, may be cited as the "Tariff Schedules of the United States".

SEC. 2. EFFECTIVE DATE.

(a) The amendments and repeals made by this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the 60th day after the date of the enactment of this Act.

(b) Upon request therefor filed with the collector of customs concerned on or before the 120th day after the date of the enact-

ment of this Act, the entry or withdrawal of any article—

(1) which was made after August 30, 1963, and before the 61st day after the date of the enactment of this Act, and

(2) with respect to which the amount of duty would be smaller if the amendments and repeals made by this Act applied to such entry or withdrawal,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the 61st day after the date of the enactment of this Act.

SEC. 3. APPLICATION OF TARIFF CLASSIFICATION ACT OF 1962

In applying the Tariff Classification Act of 1962 (19 U.S.C., sec. 1202 note) after the date of the enactment of this Act—

(1) The changes in the Tariff Schedules of the United States made by this Act shall be treated for the purposes of section 203 of such Act as having been included in such tariff schedules on August 31, 1963.

(2) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States set forth in this Act which are lower than the rates of duty in rate column numbered 2 of such schedules for the corresponding items shall, for the purposes of section 103 of such Act of 1962, be treated as having been proclaimed by the President pursuant to paragraph (1) of section 102 of such Act.

(3) The changes in part 3 of the appendix of the Tariff Schedules of the United States made by section 69 of this Act shall, for the purposes of section 103 of such Act of 1962, be treated as having been proclaimed by the President pursuant to paragraph (3) of section 102 of such Act.

SEC. 4. CONTAINERS NOT IMPORTED EMPTY.

The first sentence of subparagraph (i) of general headnote 6(b) (p. 12) is amended to read as follows: "The usual or ordinary types of shipping or transportation containers or holders, if not designed for, or capable of, reuse, and containers of usual types ordinarily sold at retail with their contents, are not subject to treatment as imported articles."

SEC. 5. GRAPE JUICE.

Item 165.40 (p. 64) is amended by striking out "9¢ per gal." and inserting in lieu thereof "56¢ per gal.", and by striking out "70¢ per gal." and inserting in lieu thereof "\$1 per gal."

SEC. 6. FLORIST ARTICLES.

Item 192.20 (p. 84) is amended to read as follows:

" 192.20	Cut flowers, fresh; bouquets, wreaths, sprays, or similar articles made from such flowers or other fresh plant parts.....	10% ad val.	40% ad val.	"
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SEC. 7. AGRICULTURAL BINS AND SPRAYERS.

(a) HARVESTING BINS.—Schedule 2, part 1, subpart D is amended by inserting after item 204.25 (p. 91) the following:

" 204.27	Bins designed for use in the harvesting of fruits and vegetables....	Free	Free	"
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(b) SPRAYERS.—The article description for item 662.45 (p. 312) is amended by striking out "self-contained, having a capacity over 5 gallons," and inserting in lieu thereof ("except sprayers, self-contained, having a capacity not over 5 gallons").

SEC. 8. CERTAIN BOXES AND CASES COVERED OR LINED WITH TEXTILE FABRICS.

(a) JEWELRY BOXES, ETC., OF WOOD.—Item 204.50 (p. 91) is amended by striking out

"8.5% ad val." and inserting in lieu thereof "5% ad val."

(b) BOXES OF PAPER, ETC.—Item 256.50 (p. 106) is repealed and item 256.46 is amended—

(1) by striking out "but not" and inserting in lieu thereof "or", and

(2) by striking out "4% ad val." and inserting in lieu thereof "5% ad val."

SEC. 9. GASKETING MATERIALS OF GROUND OR PULVERIZED CORK.

Schedule 2, part 2, subpart A is amended by inserting after item 220.20 (p. 93) the following new item:

" 220.25	Slabs and sheets comprised primarily of ground or pulverized cork bonded with rubber or plastics.....	10% ad val.	25% ad val.	"
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SEC. 10. WOOD PARTICLES BOARD.

Item 245.50 (p. 98) is amended by striking out "12% ad val." and inserting in lieu thereof "20% ad val."

SEC. 11. SHOEBOARD.

Item 251.49 (p. 103) is amended by striking out "Leatherboard" and inserting in lieu thereof "Shoeboard".

SEC. 12. TEXTILE FABRICS, COATED OR FILLED, OR LAMINATED, WITH RUBBER OR PLASTICS; ARTICLES MADE FROM SUCH FABRICS.

(a) CLASSIFICATION OF CERTAIN ARTICLES WHOLLY OR IN PART OF FABRICS COATED OR FILLED, OR LAMINATED, WITH RUBBER OR PLASTICS.—The headnotes for schedule 3 are amended—

(1) by inserting "except as provided by headnote 5," before "articles" at the beginning of subparagraph (vi) of headnote 2(a) (p. 114), and

(2) by adding after headnote 4 (p. 115) the following new headnote:

"5. For the purposes of parts 5, 6, and 7 of this schedule and parts 1 (except subpart A), 4 and 12 of schedule 7, in determining the classification of any article which is wholly or in part of a fabric coated or filled, or laminated, with non-transparent rubber or plastics (which fabric is provided for in part 4C of this schedule), the fabric shall be regarded not as a textile material but as being wholly of rubber or plastics to the extent that (as used in the article) the non-transparent rubber or plastics forms either the outer surface of such article or the only exposed surface of such fabric."

(b) DETERMINATION OF COMPONENT FIBERS OF CHIEF VALUE IN COATED OR FILLED FABRICS, ETC.—Headnote 3 for schedule 3, part 4, subpart C (p. 145) is repealed, and headnote 4 for schedule 3 (p. 115) is amended to read as follows:

"4. For the purposes of the tariff schedules—

"(a) Except as specifically provided otherwise, in determining the yarn count of fabrics, the warp and filling yarns, whether plied or not, shall be counted as they occur in the fabric.

"(b) In determining the component fibers of chief value in coated or filled, or laminated, fabrics and articles wholly or in part thereof, the coating or filling, or the non-textile laminating substances, shall be disregarded in the absence of context to the contrary."

(c) WOVEN OR NET FABRICS COATED OR FILLED.—

(1) Schedule 3, part 4, subpart C, headnote 2 (p. 145) is amended by striking out "and" at the end of paragraph (a), by striking out the period at the end of paragraph (b) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(c) the provisions in this subpart for fabrics, coated or filled with rubber or plas-

tics material, or laminated with sheet rubber or plastics (items 355.65-85), cover products weighing not over 44 ounces per square yard unless they contain more than 50 percent by weight of textile fibers."

(2) The article description preceding item 355.65 (p. 146) is amended by striking out "except foam or sponge sheet".

(3) Item 355.80 (p. 146) is repealed and there is inserted in lieu thereof the following:

355.81	Of man-made fibers:		
	Over 70 percent by weight of rubber or plastics.....	12.5% ad val.	25% ad val.
355.82	Other.....	25¢ per lb. + 30% ad val.	45¢ per lb. + 65% ad val.

(d) RAINWEAR AND SIMILAR GARMENTS.—Items 376.50, 376.54, and 376.58, and the article description preceding item 376.50 (p. 159) are repealed and there is inserted in lieu thereof the following:

376.54	Garments designed for rainwear, hunting, fishing, or similar uses, wholly or almost wholly of fabrics which are coated or filled, or laminated, with rubber or plastics, which (after applying headnote 5 of schedule 3) are regarded as textile materials:		
	Of cotton.....	15% ad val.	37.5% ad val.
376.56	Other.....	30% ad val.	65% ad val.

(e) CERTAIN UNSUPPORTED FILM.—The article description preceding item 771.40 (p. 393) is amended by striking out "and unsupported".

(f) CERTAIN INFLATABLE ARTICLES.—Item 772.75 (p. 394) is repealed, and schedule 7, part 13, subpart A is amended by inserting after item 790.37 (p. 397) the following new item:

790.39	Pneumatic mattresses and other inflatable articles not specially provided for.....	12.5% ad val.	25% ad val.
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SEC. 13. MEASURE OF CERTAIN YARNS; CERTAIN WOVEN FABRICS CONTAINING MAN-MADE FIBERS.

(a) MEASURE OF CERTAIN YARNS.—The article description for item 305.14 (p. 121) is amended to read as follows: "Measuring over 270 yards but not over 18,000 yards per pound".

(b) CERTAIN WOVEN FABRICS CONTAINING MANMADE FIBERS.—Schedule 3, part 3, subpart B is amended by inserting after item 335.50 (p. 138) the following new item:

335.60	Over 50 percent by weight of yarns which are composed of fibers not exceeding 5 inches in length and contain not less than 50 percent by weight of man-made fibers.....	25¢ per lb. + 22.5% ad val.	45¢ per lb. + 70% ad val.
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SEC. 14. ORNAMENTED FABRICS; FABRICS WITH TUCKS.

(a) ORNAMENTED FABRICS.—Item 353.50 (p. 144) is amended—

(1) by striking out "42.5% ad val." and inserting in lieu thereof "42.5% ad val., but in the case of ornamented fabrics not less

than the rate which would apply to such fabrics if not ornamented"; and

(2) by striking out "90% ad val." and inserting in lieu thereof "90% ad val., but in the case of ornamented fabrics not less than the rate which would apply to such fabrics if not ornamented".

(b) TEXTILE FABRICS WITH TUCKS.—Item 357.60 (p. 147) is amended—

(1) by striking out "42.5% ad val." and inserting in lieu thereof "42.5% ad val., but not less than the rate which would apply to such fabrics without tucks"; and

(2) by striking out "90% ad val." and inserting in lieu thereof "90% ad val., but not less than the rate which would apply to such fabrics without tucks".

SEC. 15. BELTING AND BELTS FOR MACHINERY.

(a) IN GENERAL.—Items 358.05 and 358.10 (p. 147) and the article descriptions preceding such items are repealed and there is inserted in lieu thereof the following:

358.02	Belting and belts, for machinery, of textile fibers or of such fibers and rubber or plastics:		
	V-belts.....	8.5% ad val.	25% ad val.
358.05	Other:		
	Of vegetable fibers, or of such fibers and rubber or plastics:		
358.06	Not in part of rubber or plastics.....	12% ad val.	30% ad val.
	In part of rubber or plastics.....	16% ad val.	30% ad val.
358.08	Of wool:		
	Woven.....	37.5¢ per lb. + 15% ad val.	50¢ per lb. + 60% ad val.
358.09	Other.....	32% ad val.	50% ad val.
358.11	Of silk.....	27.5% ad val.	65% ad val.
358.14	Of man-made fibers.....	25¢ per lb. + 30% ad val.	45¢ per lb. + 65% ad val.
	Other.....	12.5% ad val.	25% ad val.

(b) MACHINERY BELTS NOT CONTAINING TEXTILE FIBERS.—Item 773.35 (p. 395) is amended by striking out "vegetable fibers" and inserting in lieu thereof "textile fibers".

SEC. 16. SWISS-TYPE CURTAINS AND DRAPES.

Schedule 3, part 5, subpart C is amended—

(1) by striking out items 365.55, 365.60, and 365.65 and the article descriptions preceding item 365.55 (p. 152), and

(2) by striking out item 365.78 and the article description preceding such item (p. 153) and inserting in lieu thereof the following:

365.77	Net furnishings made on a lace, net, or knitting machine, whether or not ornamented; and other furnishings, ornamented:		
	Of cotton:		
365.78	Curtains and drapes, including panels and valances, all the foregoing if machine-embroidered but not otherwise ornamented.....	30% ad val.	90% ad val.
	Other.....	50% ad val.	90% ad val.

SEC. 17. LABELS OF MAN-MADE FIBERS.

Item 385.61 (p. 163) is amended by striking out "30% ad val." and inserting in lieu thereof "19% ad val.".

SEC. 18. LACTIC ACID.

Item 425.82 (p. 186) is amended by striking out "12.5% ad val." and inserting in lieu thereof "16% ad val.", and by striking out "25% ad val." and inserting in lieu thereof "35% ad val.".

SEC. 19. ESTERS OF MONOHYDRIC ALCOHOLS.

The article description preceding item 428.50 (p. 188) is amended to read as follows: "Esters of monohydric alcohols and organic or inorganic acids (except hydrogen sulfide and hydrogen halide acids):".

SEC. 20. CELLULOSE COMPOUNDS; SURFACE-ACTIVE AGENTS.

(a) CELLULOSE COMPOUNDS.—Item 429.80 (p. 189) is repealed.

(b) CARBOXYMETHYL CELLULOSE SALTS.—Schedule 4, part 8, subpart A is amended by inserting after item 465.85 (p. 204) the following new item:

465.87	Carboxymethyl cellulose salts.....	16¢ per lb.	45¢ per lb.
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(c) LIGNIN SULFONIC ACID AND ITS SALTS.—Schedule 4, part 8, subpart A is amended by inserting after item 465.90 (p. 204) the following new item:

465.92	Lignin sulfonic acid and its salts.....	10% ad val.	20% ad val.
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(d) CELLULOSE COMPOUNDS, NOT SPECIALLY PROVIDED FOR.—Schedule 4, part 13, subpart B is amended by inserting after item 493.16 (p. 221) the following new item:

493.18	Cellulose compounds, not specially provided for.....	16¢ per lb.	45¢ per lb.
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(e) SURFACE ACTIVE AGENTS.—The headnote for part 8 of schedule 4 (p. 203) is amended by inserting after the first sentence a new sentence as follows: "This part also covers certain specified products which may or may not be surface-active agents."

SEC. 21. SYNTHETIC RESINS AND PLASTICS MATERIALS.

The headnotes for schedule 4, part 4, subpart A (p. 195) are amended—

(1) by striking out in headnote 1 "a plasticizer, filler, color, or extender" and inserting in lieu thereof "an antioxidant, color, dispersing agent, emulsifier, extender, filler, pesticide, plasticizer, or stabilizer"; and

(2) by striking out in headnote 2 "plasticizers, fillers, colors, or extenders" and inserting in lieu thereof "an antioxidant, color, dispersing agent, emulsifier, extender, filler, pesticide, plasticizer, or stabilizer".

SEC. 22. CONCRETE.

Schedule 5, part 1, subpart A, headnote 1 (p. 225) is amended by striking out paragraph (b) and inserting in lieu thereof the following:

"(b) the term 'concrete' means a composite of cementing materials of mineral origin with added mineral aggregate such as sand, crushed stone, or gravel; and".

SEC. 23. SUBPORCELAIN REFRACTORY ARTICLES.

Item 531.37 (p. 236) is amended by striking out "Porcelain refractory articles" and inserting in lieu thereof "Porcelain and subporcelain refractory articles".

SEC. 24. CERTAIN COLORED OR SPECIAL GLASS.

Items 542.75 and 542.77 (p. 246) and items 923.75 and 923.77 (p. 437) are each amended by striking out "90 united inches" and inserting in each place in lieu thereof "100 united inches".

SEC. 25. CERTAIN SEMIMANUFACTURED PLATINUM.

Item 605.07 (p. 261) is amended by striking out "Bars, plates, and sheets, all the foregoing not under 0.125 inch in thickness," and inserting in lieu thereof "Products having no dimension under 0.125 inch."

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14. PERSONNEL. The Post Office and Civil Service Committee reported without amendment S. 1974, to amend the Federal Employees' Group Life Insurance Act with regard to filing designation of beneficiaries (S. Rept. 1472); and H.R. 3545, to amend section 131 of title 13, U. S. C., to provide for taking of the economic census 1 year earlier starting in 1968 (S. Rept. 1475). p. 19434
15. THE INTERIOR AND INSULAR AFFAIRS COMMITTEE reported with amendment S. J. Res. 6, to cancel any unpaid reimbursable construction costs of the Wind River irrigation project, Wyo., chargeable against certain non-Indian lands (S. Rept. 1464); H. R. 5498, to provide temporary authority for the sale of certain public lands (S. Rept. 1471); S. 2327, to amend section 27 of the Mineral Leasing Act of Feb. 25, 1920 in order to promote the development of coal on the public domain (S. Rept. 1466). p. 19352
16. LEGISLATIVE PROGRAM. Sen. Mansfield announced that today, Wed., the Senate would take up the conference reports on the wilderness and housing bills, the Northwest power intertie, food-for-peace, and Labor and HEW appropriation bills. pp. 19413-4

HOUSE

17. MEAT IMPORTS. Both Houses, the House by 232 to 149, agreed to the conference report on H. R. 1839, to provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products. The conferees reported that a "new text is substituted for both the text of the bill as passed by the House and the text of the Senate amendment." This bill will now be sent to the President. pp. 19390-405, 19479-501
18. CONTINUING RESOLUTION. Both Houses passed H. J. Res. 1160, making continuing appropriations for fiscal year 1965. The resolution provides funds through Sept. 30, 1964 for continuing those functions of the Government for which annual appropriation bills have not yet been enacted. This bill will now be sent to the President. pp. 19376, 19437-40
19. AGRICULTURE APPROPRIATION BILL, 1965. Conferees were appointed on this bill, H. R. 11202, and consent was given that the committee have until midnight, Tues., to file a report. p. 19440
20. POLLUTION; BUDGET. Rep. Monagan commended the new Budget Bureau directive requiring that all Federal facilities and buildings hereafter designed and constructed to include adequate systems for the control and treatment of discharges resulting in either air or water pollution. p. 19441
21. AWARDS. Passed without amendment H. R. 12342, to authorize certain retired and other personnel of the U. S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries. Mentioned in this bill are several employees of this Department. pp. 19448-78
22. COFFEE. Insisted on further disagreement to Senate amendments to H. R. 8864, to implement the International Coffee Agreement. Conferees were appointed for a further conference. Senate conferees have been appointed. pp. 19501-7
Rep. Dwyer urged the House to reject the conference report on H. R. 8864. pp. 19538-9
23. RESEARCH. Agreed to the conference report on H. R. 4364, to provide for the free entry of mass spectrometers for Oregon State and Wayne State universities. This bill will now be sent to the President. pp. 19513-4

24. ELECTRIFICATION. By a vote of 230 to 134 agreed to the conference report on S. 1007, to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority. pp. 19519-25
25. WILDLIFE. Agreed to the conference report on S. 793, to provide a permanent basis for the management of the four wildlife refuges in the Klamath River Basin of Calif. and Ore. p. 19526
26. HOUSING. Received the conference report on S. 3049, the housing bill (H. Rept. 1828). pp. 19553-67, 19568
27. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment H. R. 2411, to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn-Folsom south unit, American River division, Central Valley project, Calif. (H. Rept. 1826). p. 19568
28. TARIFFS. Rep. Dent stated that he has "battled against the intemperate program of tariff cutting that has plagued American industry" and inserted a statement presented to the Democratic Party platform committee on trade policies. pp. 19544-6, 19546-7
29. APPALACHIA. Rep. Schwengel inserted the transcript of testimony gathered on a "factfinding" tour of the Appalachian region. pp. 19531-8
30. BALANCE OF PAYMENTS. Rep. Curtis inserted his report on the recent progress of the balance of payments and stated that "it is indeed an alarming situation." pp. 19442, 19529-30

ITEMS IN APPENDIX

31. FARM INCOME. Rep. Michel inserted an article, "Farm Income and Political Demagogues." pp. A4374-5
32. RESEARCH. Extension of remarks of Rep. Garmatz inserting an address before the Maryland Governors' Conference on the development of the national oceanographic program and the part Congress has taken in connection with it. pp. A4386-8
33. WHEAT. Extension of remarks of Rep. Findley inserting an article and stating that it "shows how the United States sale of wheat to Russia helped Castro solve a bread problem in Cuba." p. A4388
34. OPINION POLL. Rep. Quie inserted the results of a questionnaire, including items of interest to this Department. pp. A4390-1
35. MEAT PRICES. Extension of remarks of Sen. Metcalf stating that the Mont. cattleman has "for many years been unable to understand why cattle prices can be as low as they are most of the time, and beef prices at the meat counter be as high as they consistently are," and inserting two articles on this subject. p. A4394
36. HOUSING. Speech in the House by Rep. Donohue urging support and early enactment of the housing bill. p. A4399

BILLS INTRODUCED

PUBLIC WORKS.

37. /S. 3134, by Sen. Inouye, to require bidders for public works construction

THE DIRKSEN BREATHES
(By Walter Lippmann)

Although it is a bit awkward and rather inconvenient to make Congress deal with apportionment at the tail end of the session, the importance of the subject is overriding. The real issue, as I see it, is whether reapportionment of the State legislatures, which is necessary but also a far-reaching change of habit and custom, should be propelled by something more than the Federal courts alone—whether, that is to say, this great change in the political balance of power should have also the approval of Congress and be subjected to the test of a constitutional amendment. Taking this to be the purpose of the Dirksen proposal, it seems to me sound and in the end desirable.

The heart of the matter is that since about 1890 the United States, which was then composed two-thirds of people from farms and villages, has been transformed. Two-thirds of the Americans now live in cities or in the suburbs. But the apportionment of at least 44 of the State legislatures does not represent this change. In these 44 States, less than 40 percent of the people elect a controlling majority of the legislature. In 13 of these States, one-third or less of the people can elect a controlling majority of the legislature.

While the statistics of this misrepresentation cry out for reform, it is nevertheless true that the problem here, unlike that of the civil rights bill a few months ago, is not such a present danger that delay is intolerable. It is essential that the city and suburban people be properly represented in their State legislatures in order that they may be better able to deal with their pressing needs. But, there is no critical emergency which makes the delay proposed by Senator DIRKSEN intolerable.

There are also positive advantages in the Dirksen breather. It involves Congress, not only the Supreme Court, in the problem of apportionment, and the pause provided by the Dirksen rider may help to make the coming reapportionment seem less terrifying to those who will lose by it.

For many of us this will help to assuage a troubled conscience about the dilemma posed by the Supreme Court's decision in the Alabama case and Mr. Justice Harlan's dissenting opinion. The dissenting opinion argued powerfully against bringing the affairs of the State legislatures into the Federal courts. The opinion was, in my view, unanswerable but for one enormous fact. That is that the unrepresentative State legislatures are unwilling to reform themselves. The underrepresented voters in the cities and suburbs have little or no power to compel reform. In this situation, when there is indubitable evil for which there is no known legal remedy, the intervention of the Supreme Court was the only way of breaking the deadlock.

But such a choice of the lesser of two evils is not attractive, and as one of those troubled by it, I welcome Senator DIRKSEN's action in taking the question to Congress and to the amending process.

The public discussion, which will ensue, will be clarified if we distinguish the two principal arguments which have been used to justify the overrepresentation of the rural voters. One reason, which is as old as the Nation, is that the excitable working people in the cities are not to be trusted as against the stable and virtuous farmers, and that the representative system should be constructed so as to prevent the urban masses from ruling the State. This is the principle of the New York State constitution which was framed before the turn of the century.

This reason could prevail when the city people were still a minority. It cannot prevail much longer now that they have become a preponderant majority.

But there is another reason, closely related in practice but separate in theory. It is, as Madison put it, that it is necessary to "refine the will of the people," and that one of the best ways of doing this is to have a legislature with two houses in which the upper house is more stable and more conservative.

The real question which will confront the States is how to construct senates in which, though all voters are equal, the senators will check and balance the lower house.

It is not an insoluble problem. The States will have to deal with the problem by making the senatorial districts larger and the number of senators smaller. Each senator will therefore represent a much more varied constituency than a member of the lower house. The States can give the senators a longer term and higher pay. This will tend to give the senators a broader view, a less hurried view, more honor, a greater independence and sense of responsibility.

These are ways to refine the will of the people without obstructing it.

Mr. PROXMIER. Mr. President, not only is Mr. Walter Lippmann a highly influential columnist; not only are his writings read all over America; but he is regarded as a man of integrity, towering ability, and profound understanding. When he writes as he has written on this subject, what he says must carry weight with thoughtful people everywhere. It is most unfortunate—in my judgment, it is a real tragedy—that Mr. Lippmann has not taken more time to study this Dirksen amendment. I earnestly hope that he will read the remarks of the distinguished Senator from Oregon, which I believe are absolutely irrefutable and unanswerable, if one considers what the Dirksen amendment will do.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 2288) for the relief of John J. Feeney.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 7073. An act to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such act;

H.R. 9638. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of phosphate on the public domain;

H.R. 9803. An act to authorize the Secretary of the Army to acquire the building constructed on the Fort Jay Military Reservation, N.Y., by the Young Men's Christian Association;

H.R. 11960. An act to authorize the exchange of public domain lands heretofore withdrawn and reserved for the use of the Hanford project of the Atomic Energy Commission, and for other purposes;

H.R. 12091. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 9,500,000 pounds of sisal from the national stockpile;

H.R. 12278. An act to authorize the Secretary of the Navy to convey to the city of Sunnyvale, State of California, certain lands in the county of Santa Clara, State of California, in exchange for certain other lands; and

H.J. Res. 793. Joint resolution authorizing the United Spanish War Veterans to erect a memorial in the District of Columbia or its environs.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 274. Concurrent resolution accepting the statue of Father Eusebio Francisco Kino, of Arizona, presented by the State of Arizona, to be placed in the Statuary Hall collection;

H. Con. Res. 320. Concurrent resolution to express the sense of the Congress on disposal from the national stockpile of certain materials; and

H. Con. Res. 343. Concurrent resolution expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 7073. An act to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such act; to the Committee on Agriculture and Forestry.

H.R. 9638. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of phosphate on the public domain; and

H.R. 11960. An act to authorize the exchange of public domain lands heretofore withdrawn and reserved for the use of the Hanford project of the Atomic Energy Commission, and for other purposes; placed on the calendar.

H.R. 9803. An act to authorize the Secretary of the Army to acquire the building constructed on the Fort Jay Military Reservation, N.Y., by the Young Men's Christian Association;

H.R. 12091. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 9,500,000 pounds of sisal from the national stockpile; and

H.R. 12278. An act to authorize the Secretary of the Navy to convey to the city of Sunnyvale, State of California, certain lands in the county of Santa Clara, State of California, in exchange for certain other lands; to the Committee on Armed Services.

H.J. Res. 793. Joint resolution authorizing the United Spanish War Veterans to erect a memorial in the District of Columbia or its environs; to the Committee on Rules and Administration.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were referred as indicated:

To the Committee on Rules and Administration:

H. Con. Res. 274. Concurrent resolution accepting the statue of Father Eusebio Francisco Kino, of Arizona, presented by the State of Arizona, to be placed in the Statuary Hall collection.

Resolved by the House of Representatives (the Senate concurring), That the statue of Father Eusebio Francisco Kino, presented by the State of Arizona, to be placed in the Statuary Hall collection, is accepted in the

name of the United States, and that the thanks of the Congress be tendered said State for the contribution of the statue of one of its most eminent pioneers, illustrious for his early missionary work, exploration, and cartography; and be it further

Resolved, That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of Arizona.

To the Committee on Armed Services:

H. Con. Res. 320. Concurrent resolution to express the sense of the Congress on disposal from the national stockpile of certain materials.

Resolved by the House of Representatives (the Senate concurring), That the Congress expressly approves, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), the disposal from the national stockpile of the following materials in approximately the following quantities:

1. One thousand five hundred and sixty-seven short tons of Bolivian blue (soft) crocidolite asbestos.
2. One hundred and sixty-five short tons (copper content) of copper and copper base alloys in scrap and thin strip form.
3. Three hundred and sixty-six short tons of cupro-nickel ingots.
4. Three hundred and fifty-five pieces of diamond dies.
5. Forty-six thousand eight hundred pounds of lead castings.
6. Two hundred and twenty thousand two hundred and thirty pounds of punch mica.
7. Sixty-six thousand eight hundred and thirty-four pounds of nickel in fabricated and miscellaneous forms, such as wire, tubing, anodes, cathodes, pellets, and cut cathodes.
8. Twenty-five thousand seven hundred and forty pounds of tantalum in various forms.
9. Two hundred and twenty-one thousand and eighty-seven pounds of zinc in the form of engraving plates.
10. Two hundred and fifty short tons of low-grade manganese ore.

To the Committee on Foreign Relations:

H. Con. Res. 343. Concurrent resolution expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter.

Whereas one hundred and thirteen nations have accepted the obligations of the Charter of the United Nations to maintain international peace and security and have agreed "to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace"; and

Whereas the International Court of Justice in an advisory opinion on July 30, 1962, held that expenditures for peacekeeping operations constitute expenses of the Organization which shall be borne by the members as apportioned by the General Assembly under article 17 of the United Nations Charter; and

Whereas the advisory opinion of the International Court of Justice was accepted by the General Assembly in a resolution on December 19, 1962, by a vote of seventy-six in favor, seventeen against, and eight abstentions; and

Whereas article 19 of the United Nations Charter provides that a member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the

contributions due from it for the preceding two full years, unless relieved of that penalty by a vote of the General Assembly on the grounds that "the failure to pay is due to conditions beyond the control of the member"; and

Whereas at the convening of the Nineteenth General Assembly of the United Nations in 1964, certain members of the United Nations which are now in arrears may fall within the purview of the provisions of article 19 of the United Nations Charter; and

Whereas legislation has been enacted expressing the sense of the Congress that "the United Nations should take immediate steps to give effect to the advisory opinion of the International Court of Justice on the financial obligations of members of the United Nations in order to assure prompt payment of all assessments, including assessments to cover the cost of operations to maintain or restore international peace and security": Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should direct the Permanent United States Delegate to the United Nations to continue efforts toward securing payment by members of the United Nations of their assessments in arrears. It is further the sense of the Congress that if, upon the convening of the Nineteenth General Assembly, the arrears of any member of the United Nations equals or exceeds the amount of the contribution due from it for the preceding two full years, the President should direct the Permanent United States Delegate to make every effort to assure invocation of the penalty provisions of article 19 of the Charter of the United Nations.

FREE IMPORTATION OF WILD ANIMALS; QUOTAS ON CERTAIN MEAT IMPORTS—CONFERENCE REPORT

Mr. BYRD of Virginia. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report see House proceedings of August 17, 1964, p. 19293, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD of Virginia. Mr. President, I call up the conference report on H.R. 1839. This bill provides for meat import quotas and for free importation of certain wild birds and animals.

With respect to meat imports, it will be recalled that the Senate bill imposed quotas on beef, veal, lamb, and mutton and certain beef products. These quotas were limited to the average annual imports of the products in the 5-year period 1959-63. The conferees agreed on a substitute for this Senate amendment. This substitute provides for quotas on beef, veal, and mutton imports by re-

quiring the President to proclaim quotas whenever the Secretary of Agriculture estimates that, in the absence of quotas, aggregate imports of these meats would exceed 110 percent of the average annual import of these meats during the 5-year period 1959-63. When it is estimated that imports may exceed this level the President must proclaim quotas which will limit imports to the 1959-63 level, adjusted for growth in the domestic market.

Specifically, the bill provides for the imposition of quotas whenever the imports of beef, veal, and mutton exceed 725,400,000 pounds plus an allowance for growth of the market. By the growth formula in the substitute, estimates of commercial production of beef, veal, and mutton for the current and the 2 preceding years are compared with commercial production for the period 1959-63. This adjustment is illustrated as follows from statistics furnished by the Department of Agriculture:

MEAT IMPORT CONTROL

What this law provides is a fixed quota for the major beef, veal, and mutton items which would be increased in the future in the same ratio that commercial production in the United States increases in the future, as compared with the average commercial production in the 5-year base period of 1959-63. For example, in the 5-year base period U.S. commercial production of beef, veal, and mutton were as follows:

	Pounds
1959-----	14,197,000,000
1960-----	15,446,000,000
1961-----	15,937,000,000
1962-----	15,917,000,000
1963-----	16,938,000,000

The annual average commercial production for these 5 years was 15,687 million pounds.

The U.S. commercial production in 1963 was 16,938 million pounds; in 1964 it was estimated at 18,500 million pounds, and in 1965, it was tentatively estimated at 19,400 million pounds. The annual average commercial production for these 3 years would then be 18,279 million pounds.

The commercial production in the 3-year period 1963-65 exceeded the annual average commercial production in the base period 1959-63 by 16.5 percent.

Applying this percentage increase to the 725,400,000 pounds specified in the bill, the import quota if needed in 1965 would be established at 845,100,000 pounds. This would compare with actual imports of 1,049 million pounds of these products in 1963.

Under the conference substitute the quota of 845,100,000 pounds would be proclaimed by the President for 1965 if the Secretary estimated that imports would exceed 110 percent of that amount or 929,610,000 pounds.

As this example illustrates, after taking into account the growth factor, the conference agreement represents a potential cutback in meat imports of 19.4 percent over actual imports in 1963. Taking into account the 10-percent leeway that the conference agreement provides before quotas are triggered, the conference agreement represents a cutback of 11.4 percent over actual imports in 1963.

The conference agreement requires the Secretary of Agriculture to make quarterly determinations of estimated meat imports and if for any quarter the 110-percent test is equaled or exceeded, the President is required to proclaim the

quotas provided by the bill. In such event, the quotas remain in effect for each quarter of the year during which the 110-percent test violated. If, however, quotas are imposed for one quarter and estimates for a subsequent quarter indicate that meat imports have been reduced to such an extent that the 110-percent test no longer is equaled or exceeded, the quotas would terminate. To safeguard against excessive imports in the last quarter of the year, the conference substitute requires that if quotas are in effect for the third quarter of the calendar year then they must continue in effect for the last quarter of the year regardless of the Secretary's estimates for that last quarter.

The conference substitute provides a number of provisions urged by the departments. For example, the bill authorizes the administration to allocate quotas among exporting countries on the basis of a historical representative period except where special factors indicate that a different allocation is necessary. Thus, if an exporting country was unable to meet its quota because of the occurrence in that country of hoof and mouth disease, then that country's quota could be allocated to other countries.

Additional provisions permit the President to suspend or increase quotas he has proclaimed under the bill if he determines and proclaims that such action is required by overriding economic, or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the livestock industry.

Quotas may also be suspended or increased by the President if he determines that the supply of beef, veal, and mutton will be inadequate to meet domestic demands at reasonable prices. Finally, it permits quotas to be suspended or increased if the President determines that trade agreements entered into after the date of enactment of this bill insure that the policy of the bill which is to limit meat imports to the 1959-63 level, will be carried out.

Where quotas have been suspended or increased, the suspension or increase will be effective for such period not extending beyond the calendar year, as the President determines necessary to carry out the purposes of the bill.

The conference agreement includes provisions requiring the Secretary of Agriculture to issue regulations to prevent circumvention of the import restrictions. The conferees particularly had in mind the possibility that the form or packaging of articles included under a quota might be altered in an effort to avoid quota controls. Examples of what the conferees had in mind were: First the dicing of beef so that it would but for the regulations be imported as a prepared product rather than as fresh, chilled, or frozen meat, or second, the packaging of fresh, frozen, or chilled beef, veal, or mutton in some type of airtight container.

The House conferees refused to include lamb in the category of meats sub-

ject to quota. They felt very strongly that lamb did not involve the competitive problems that imported beef, veal, and mutton created. Essentially, they felt that since the imported meats competed primarily with utility cattle in this country for use in prepared meats, such as hamburger and frankfurters, and since mutton can be substituted for beef in these products, mutton should be included within the quota limitations. Lamb, however, was imported primarily for use as lamb and, thus, did not raise the substitutional problems involved with mutton.

The Senate bill contained a provision described as the "port of entry" provision which authorized the President to limit imports at a single port of entry in order to prevent the influx of excessive quantities of imported meat within a small area. The House conferees would not agree to include this provision in the conference substitute but they did express the hope that the President could alleviate the potential dumping problems through consultations and agreements with supplying countries.

Let me emphasize that this conference agreement has been reviewed by the cattle industry and is acceptable to them. In addition, the departments assured the conferees that while they do not favor any quota bill, they would not recommend a veto of this conference agreement.

They felt that the approach of the substitute, by not imposing quotas until the actions of the foreign countries indicated they were needed, would relieve much of the pressure on our trade negotiators and that this was very desirable.

With respect to the free importation of wild birds and wild animals it will be recalled that the House bill permitted wild animals and wild birds to be brought in without duty "for exhibition." The Senate deleted this provision from the bill.

The House conferees insisted on their amendment but the Senate conferees were unwilling to yield. Eventually, a compromise was worked out with the House which permits wild birds and wild animals to be imported for use or for sale for use in any scientific public collection for exhibition for scientific or educational purposes. This compromise permits importers to bring wild animals and wild birds into this country for sale to municipal zoos, for instance, for exhibition. It does not permit the free importation of these animals for exhibition in any roadside stand where it may be expected they would receive inhumane treatment. These roadside stands are not either scientific or educational in nature and would not be treated as such under this bill.

Under the present tariff structure a tariff classification controlled by actual use to which an imported article is put is satisfied only if, first, such use is intended at the time of importation, second, the article is so used and, third, proof thereof is furnished within 3 years after the date the article is entered. I believe that these provisions will safe-

guard against importers accumulating wild animals and wild birds in this country for speculative purposes.

I urge the conference report be agreed to.

Mr. McCARTHY. Mr. President, will the Senator from Virginia yield?

The PRESIDING OFFICER (Mr. SALINGER in the chair). Does the Senator from Virginia yield to the Senator from Minnesota?

Mr. BYRD of Virginia. I am glad to yield to the Senator from Minnesota.

Mr. McCARTHY. I wish to commend the chairman of the committee and the other members of the Senate conference for the excellent compromise agreement they have worked out with the House of Representatives.

The approach to the problem of beef imports under the direction of the chairman of our committee has been an orderly one in which the Tariff Commission was asked to make its recommendations, in which hearings were held so that everyone might be heard and following that the committee acted and the Senate acted. The conferees represented the position of the Senate in conference very well.

I know that the action was taken. I am hopeful and quite certain that this will be sustained in the House, and that the bill will be signed by the President. I believe it establishes very clearly a guideline for the executive branch of the Government under which it can proceed to arrive at voluntary agreements which have been suggested by the chairman in giving his report and indicating to the executive branch of the Government, as well as to other countries, that Congress will take a stand against unreasonable dumping or unreasonable unloading of surplus commodities on the American market. I believe that the net effect of this bill will be to stabilize and establish a base for international trade.

I commend the chairman, the committee, and the conferees on the part they played in bringing the bill to this point.

Mr. BYRD of Virginia. I thank the Senator. We have given a great deal of attention to the bill. We have gone into a great deal of detail, not only in the committee, but also in the conference with the House.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. SMATHERS. I also join in commendation of the distinguished chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], and the other conferees. Even though the junior Senator from Florida was one of the conferees, I do not direct the commendation necessarily to myself. But I believe this is a demonstration of how a conference should and can act in a rather difficult situation.

We all know that the able majority leader [Mr. MANSFIELD] had first brought this bill to the Senate, seeking relief for the cattle producers of this Nation who felt that one of the reasons, and the major reason, for the lowering of the price of cattle was the larger quan-

tities of beef, veal, and mutton which had been imported into the United States, particularly from Australia and New Zealand.

When we reached the conference with the House, the House conferees did not particularly like anything that had been done. The State Department was very much opposed to it, and to any legislation along this line in the belief that we should settle all these problems through the machinery of GATT, which is the General Agreement for Tariffs and Trade, of which we are a major member. Of course, it had not worked very well for us up to that time. It had not worked well, particularly with respect to the importation of beef.

In any event, we finally devised a compromise which received, I believe, virtually unanimous approval of the cattle industry in the United States.

As the able Senator from Virginia [Mr. BYRD] has said, it was not necessarily approved by the executive branch of the Government, although the Under Secretary of State and his representatives and the Secretary of Agriculture assured us that they would not recommend that the President veto the bill. The bill, in essence, provides that while there is no quota at the present time, quotas must be proclaimed in the future to keep meat imports within the level of the base period of 1959-63.

We shall allow a certain amount of imports to come from Australia, New Zealand, and other countries that produce beef, which we think, and everyone else thinks, is a very fair allowance for them.

The quota under the conference substitute will not be triggered unless importations of beef, veal, and mutton exceed 110 percent of the average base period, increased by an allowance for growth. When that happens, the Secretary of Agriculture gives notice to the President of the fact that the 110 percent has been exceeded. The President then is required by the bill to make a proclamation, and the quota then goes into effect. There is a restriction placed on the amount of beef, veal, and mutton which can then be shipped into the United States.

The Secretary of Agriculture will look into the situation every quarter. He will determine whether excess imports are likely to continue. If they are not, the quota terminates. But if it appears that there will be more beef shipped in than should be shipped in, the quota will remain in effect. In this way, our own people will be protected. Moreover, if a quota is in effect for the first quarter, it might be terminated for the second quarter but then reinstated for the third and fourth quarters if the estimates indicate they are needed to hold imports to the average of the 1959-63 level.

We believe that the countries which are our good friends, and with which we have a favorable balance of trade, will not be unduly influenced by this particular program. But we believe that the cattle industry of this Nation should and will be protected.

I again commend the able chairman of the Finance Committee [Mr. BYRD],

the conferees, and all of those who have had an active part in the program—particularly the majority leader [Mr. MANSFIELD]—of arriving at what I am sure most reasonable people will think is a fair solution to this big problem.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. McGEE. I commend the chairman of the Finance Committee [Mr. BYRD] and the conferees on arriving at a realistic solution to a very grave question. The conferees have addressed themselves to the realistic point in the whole question, and that is to do what has to be done to try to help the American cattlemen—in Wyoming and in our part of the West. I want the chairman to know that we are deeply appreciative of his work.

Mr. President, in this morning's press the agreement that we will ratify here today is termed a "significant victory" for the cattleman. It is certainly that, but it is a lot more. This is a victory for the American system and for the American way of settling the differences between various groups and between various nations.

It has been obvious to me, Mr. President, that for some time now there has been a lot of talk about the ills of the cattleman and not too much action. But that has changed now. For in this proposal we have before us today and in several other recent actions of the Congress and the Johnson administration we have action—hard action, fast action, concrete action. I would like to congratulate both Houses of Congress and the administration on this significant legislation which represents an honorable compromise of several points of view. This is a further indication that the Congress has faced up to its job and has produced results that can be easily measured in concrete terms.

I would again like to emphasize that this action alone will not do the job. The cattleman's ills may have but one real symptom—low prices—but there are several causes. And it is necessary to attack all the causes if we are to cure the ills. And so I would also like to mention the Food Marketing Commission whose task in exploring the possible evils of power concentration in the hands of a few mass food purchasers at the retail level was so ably outlined last week by the able minority leader [Mr. DIRKSEN]. And I would mention the work of the administration in encouraging shipment of our beef to meat-scarce Europe and the implementation of beef purchase plans here at home. All these have had an effect and all these are beginning to show results.

I hope that all Members of this body noticed a small news item which appeared last week which said that fat cattle prices on the Chicago market have risen above \$27 per hundredweight. And this story went on to say that there might even be a shortage of top grade fat cattle in the fall. I will not say that the problem is solved but I believe that the worst is over and I think the action that we will take here today—and I believe that the other body is also taking

a similar action today—will provide still another buttress to stabilize at an economically feasible level the price of American beef cattle.

This legislation provides a logical and fair means to give our cattlemen their traditional share of the Nation's meat consumption, yet not affront our friends abroad with harsh and illogical prohibitions on trade and commerce.

I believe that this action follows the lines of logic and commonsense and will provide great and lasting benefits to our agricultural economy.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I yield.

Mr. BURDICK. I would like to add my voice to express appreciation for the work of the chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], has done.

I am very grateful for the fine work that was done on my resolution last November. This has culminated in some helpful legislation which we approved today.

I commend the majority leader, the senior Senator from Montana [Mr. MANSFIELD], for the direction and the work he did in placing this legislation together.

Mr. MORSE. Mr. President, I join my colleagues in commending the senior Senator from Virginia [Mr. BYRD] for his leadership in bringing out a compromise with the conferees in the form of this conference report.

I shall vote for it only on the basis of his assurance and the assurance of the Senator from Florida [Mr. SMATHERS] that under all the circumstances it is the best we can get.

It will not satisfy the cattle industry of the country. So far as their problem is concerned, it is far from a satisfactory solution. The difficulty was that the other body was not willing to go as far as we went in the Senate bill, which was as far as we needed to go in order to give the cattle industry the protection to which it is entitled.

I also commend the Senator from Montana [Mr. MANSFIELD], the senior Senator from Nebraska [Mr. HRUSKA], the junior Senator from Nebraska [Mr. CURTIS], the Senator from Wyoming [Mr. SIMPSON], and the others who joined in trying to take care of the American economic industry at long last.

I have no tears to weep over Australia, New Zealand, and the other countries which want to flood the American market. I have one simple solution for them. It is about time we tell them to sell their beef elsewhere. And it is about time to stop the State Department from undercutting the consumer, the farmer, and industrial interests of this country by the foreign trade policy that the State Department has imposed upon us for many long years in the past.

By and large this will be pretty much a surface protection, and no protection in depth. In the first place, we shall leave the administration of it pretty much to the State Department. The State Department will continue to take advantage of the American producers to the advantage of the producers abroad,

and particularly in the field of agricultural products.

That has been the sorry, sordid, sad record of the State Department for a long time. I battled away on this floor for a number of years against the giveaway of the economic interest of the American people to governments abroad.

It is about time to make clear to our alleged allies abroad that no longer will we place in second place the economic interests of the American people. That is why I supported the Senate bill. That is why I would have gone even further than the Mansfield amendment and supported the Hruska amendment, because there was an opportunity that we had in connection with this segment of agriculture to serve clear notice that the senior Senator from Oregon is not through. A long list of agricultural products is being discriminate against by the State Department in the so-called Kennedy round over in Geneva.

If anyone thinks that he will receive any support from Secretary of State Rusk in the protection of American agriculture, he could not be more wrong. We have missed an opportunity to set an example as to what we are at long last going to do to protect the economic interests of the American people first and stop making them always second in consideration in connection with policies of the State Department. I am "fed up" with the crocodile tears from the State Department, to the effect that, "If you don't do this, or if you don't do that, you will upset our foreign relations." It is about time for our foreign relations to be upset, for, under the direction of the State Department, they have been bottom side up for a long time. It is about time that to fulfill our obligations as Senators by overruling the State Department and sustaining the consumers and producers of America at long last.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a number of telegrams which I have received regarding the beef quota legislation.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PENDLETON, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Senate Building,
Washington, D.C.:

Umatilla County Cattlemen's Association with 200 members request that you vote for the beef quota legislation as it came out of conference committee today.

CHARLES KOPP,
President, Umatilla County Cattlemen's Association.

VIC JOHNSON,
Acting Secretary.

THE DALLES, OREG.,
August 18, 1964.

Senator MORSE,
Washington, D.C.:

We support the beef import bill H.R. 1839.

TED CARLSON,
President, Sherman County Cattlemen's Association.

KLAMATH FALLS, OREG.,
August 18, 1964.

Hon. WAYNE MORSE,
Senate Building,
Washington, D.C.:

Urge your support of H.R. 1839. Thank you for previous effort on our behalf.

NORMAN JACOB,
President, Klamath County Cattlemen Association.

PRINEVILLE, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Respectfully urge your support of meat import bill reported out of conference committee August 17, 1964.

HUDSPETH LAND & LIVESTOCK Co.

JOHN DAY, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Grant County Stockgrowers Association appreciate your previous support on beef import legislation and urge support of the imports conference report.

WM. K. FARRELL,
Secretary.

JOHN DAY, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Surely hope you can continue to support our beef import legislation today, conference committee report.

JIM SPROUL.

JOHN DAY, OREG.,
August 18, 1964.

Senator WAYNE MORRIS,
Senate Office Building, Washington, D.C.:

Thank for previous support on beef import legislation. Please help us today on conference committee report. We need it.

BOB LEMCKE.

LAKEVIEW, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

Respectfully urge support passage of beef import legislation vital industry.

CLARANCE DALLAS,
President, Lake County Stockgrowers Association.

PRINEVILLE, OREG.,
August 18, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Urge you to support import bill.

J. R. BREECE & SONS,
Pilot Butte Hereford Ranch.

Mr. CURTIS. Mr. President, will the distinguished Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. CURTIS. I rise to thank the distinguished chairman of the Finance Committee for his part in the legislative efforts in regard to this subject. I concur wholeheartedly in the rebuke to the State Department issued by the distinguished Senator from Oregon. I shall not take the time of the Senate to enumerate what might have been done months ago. We missed our opportunity to be more realistic about this question. The heavy imports should never have

been allowed to reach the proportions that they did. However, when the subject was submitted to the Finance Committee, the chairman and members responded. The bill which passed the Senate was far superior to the compromise proposal that is before the Senate today. In defense of the House of Representatives, the conference report does not appear to be the result of a compromise between the desires of the House and the desires of the Senate. I happen to know that the executive branch injected itself into the controversy and that representatives from the State Department and from the Department of Agriculture stated flatly that they would not yield at all. They did not want any legislation.

Therefore, I shall support the conference report, hoping and believing that it will be of some value. I commend the distinguished chairman, the Senator from Virginia [Mr. BYRD], for his helpful efforts, and the Senate conferees for standing firmly for the Senate position. I believe that the action of the executive branch is indefensible. They have no right to interfere with a legislative position of this kind.

It might be expected of the State Department that they would sacrifice for their alleged special interest the welfare of agriculture, but when they are joined in the sabotage of the domestic welfare by the Department of Agriculture, it is indeed sad, because they are supposed to represent the rural population of America.

If this compromise proposal has honest administration, it can be of great help. I do not believe that any conference report would be here today if it had not been for the majority leader using his influence. There are many others I would like to mention, particularly my colleague from Nebraska [Mr. HRUSKA], who gave the Senate the first opportunity to do something about the question in the current session, an opportunity which was not to be passed over.

I should like to ask one additional question for the RECORD. I think the point has been mentioned. I believe the distinguished chairman of the Finance Committee mentioned it. It is as follows:

Should the President use the discretionary authority that is given to him to suspend a proclamation setting forth a quota or increase the quota, would the effect of that be permanent, or would it be one that would prevail merely for a period; and would the quota return to the point set forth in the formula in the bill?

Mr. BYRD of Virginia. In response to the Senator from Nebraska, where quotas have been suspended or increased, the suspension or increase will be effective for such period, not extending beyond the calendar year, as the President may determine to be necessary for the purposes of the bill.

Mr. CURTIS. In other words, it is the purpose of the proposed legislation that, should the President raise the quota, say, sometime in the year 1965,

the increase would expire at the end of 1965 and it would not be woven into the formula and thus make an increase for 1966. Is that correct?

Mr. BYRD of Virginia. That is correct.

Mr. CURTIS. I thank the distinguished Senator from Virginia.

Mr. HRUSKA. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. HRUSKA. First, I wish to join in the commendations that have been expressed to the chairman and members of the Finance Committee for their service not only during the hearings and the executive sessions, but also in the conference committee meetings.

It is really a great source of gratification to many of us in the Senate that this conference report is presented to us. It is a history-making event and represents a significant victory for the farmers and stockmen of America and, in turn, for the agricultural economies they support, and the consumers they supply.

Its great value lies in the fact that language imposing quotas have been written into a statute and not left to the discretion or fancy of the Department of State or of Agriculture.

The bill and the machinery that it provides will serve as a deterrent against the use of the United States of America as a dumping ground by the exporting nations for all the surplus beef of the world, which is what we have been used for in the past. It is true that earlier this year the amendment that was proposed to the wheat-cotton bill afforded relief to a much greater degree than is found in the conference report. The quotas provided in that amendment were much smaller than those suggested in the conference report. Furthermore, my amendment would have included lamb as well as beef and mutton. In my opinion, the omission of lamb in the conference report is particularly unfortunate.

Also, the provision in subsection (c) (1) of section 2, permitting an overrun of 10 percent on the quotas seems unfortunate to me. In effect, it appears to grant quotas 10 percent larger than the quota level stated to be the policy of Congress in subsection (a) of section 2. We may wish to review this legislation next year with some of these thoughts in mind.

The President is left with a fairly large measure of discretion by this bill. The success of the new law will therefore largely depend upon his sympathetic administration of it. It is to be hoped that he will retain a firm control and not relinquish it into the hands of those who have strongly opposed the legislation from the start, and who even at this late hour have said that they do not agree with it, but they have said that they will not recommend a veto. The Secretaries of State and Agriculture have fought it all the way, of course. As recently as June 17 of this year, Secretary Freeman appeared before the Senate Finance Committee and argued against any quota legislation at all. For that reason, I hope the President, in imposing the

quotas provided in the bill, will not rely too heavily on the advice of the State and Agriculture Departments.

Approval of the bill, with the concurrence of the administration, sustains our position that imports have been an important factor in the catastrophic decline of cattle prices.

Those of us who have been concerned with this legislation, Mr. President, never suggested that imports should be totally eliminated. We have urged, rather, that there be a proper regulation of such imports and that they be stabilized at a recent historical average.

It is good that the administration has dropped its unreasoning opposition to this legislation. American agriculture and those who depend on it for their economic well-being will watch with great interest how it is administered and applied. So will the consumer, who has a big stake in an assured supply of quality beef.

It was with great interest that many of us followed the argument made in the other body on behalf of the consumer of the Nation. It was said there that this proposal is terrible; it was said that if these imports are cut down or regulated, it means the price of beef will go up. In all seriousness, I submit that no consumer of any commodity which is bought or used in this country has the right to buy that commodity for less than the cost of production. That is something that has been happening with respect to beef for 20 months.

There is a second answer to the argument that the consumer is such an abused creature. It is this: the Secretary of Agriculture for the past 6 months has been traveling up and down explaining the various methods by which he is trying to increase the price of beef and cattle. He is going to increase exports. He is going to purchase more meat for the school lunch program and for the military, among other programs. All of these programs are urged with the idea of increasing the price of beef and cattle. He seems to believe that an increase in the price of beef achieved in that fashion will not be resented by the consumer, but that an increase in beef prices resulting from regulating imports will be resisted and resented by the consumer.

That complaint on behalf of the consumer has another answer, and that is that the cattlemen themselves are interested in keeping prices at a point where they continue to attract the buying public. The beef man's business is a highly competitive business because of the competition of other meats, and he is concerned about losing public favor for beef.

The struggle to achieve this objective has been quite spirited, but Congress has worked its will. We have obtained from the conference what is possible under the circumstances. Surely the task is to assure fair and equitable treatment for the livestock industry and for the consumer. Many persons will be closely scrutinizing the action taken by the administration.

Again I want to say that all of us who

are interested in this legislation are highly indebted to the Finance Committee, and particularly its chairman, for the fine piece of work they have done.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. HRUSKA. I yield.

Mr. MILLER. I wish to ask the distinguished Senator from Nebraska how much, in terms of pounds, he estimates that this 110-percent figure in the formula set forth in the conference report will exceed the amount which would have existed under the formula worked out in the original bill that went to conference. Has the Senator had an opportunity to evaluate it?

Mr. HRUSKA. Has the Senator in mind the new figure that emerged using the 110 percent as the base provided for in the bill?

Mr. MILLER. Yes.

Mr. HRUSKA. My recollection is that if a new computation is made the quantity is—

Mr. SMATHERS. Mr. President, will the Senator yield at that point? I have some information from the staff on that question.

Mr. HRUSKA. I yield to the Senator from Florida, who is familiar with the figure.

Mr. SMATHERS. Nine hundred and twenty-nine million six hundred and ten thousand pounds could be sent in under this quota for 1965 on the basis of current estimates. This amounts to a cutback of 11.4 percent from actual 1963 imports.

Mr. MILLER. A cutback from what?

Mr. SMATHERS. From the base period; a cutback from the 1963 figure. Nineteen hundred and sixty-three was the year when the greatest quantity of meat came in.

Mr. MILLER. I appreciate the help of the Senator from Florida in this matter, but I am not sure I have received the information I really want.

As the bill went to the conference committee it contained certain quotas. I am sure somebody—probably the staff—has the figures which those quotas under the original bill as amended by the Senate provided. I ask the Senator how much of an increase in import allowance the conference report represents over what the Senate did a few weeks ago when it passed the bill.

Mr. SMATHERS. Except for the growth factor, it is the same quota. I have an illustration. The chairman of the committee put it in the RECORD, but I do not think the Senator from Iowa was in the Chamber at the time. I will either read it, or if the Senator does not want me to read it, I will put it in the RECORD at this point, because it gives an illustration as to how the quota and the growth formula will work, taking into consideration how much meat was produced in 1959, 1960, 1961, 1962, and 1963, and the estimates for 1964 and 1965.

Mr. MILLER. That information should be a part of the RECORD. I would appreciate it if it were put into the RECORD, but I would like to ask my question again and reemphasize the Senator's answer. Do I correctly understand that the

amendment the Senate put in the bill, as a result of which the bill went to conference, provided for a quota which would lead to imports no greater or less than the number of pounds than was finally devised by the conference committee?

Mr. SMATHERS. Excepting for the growth factor, the Senator is correct. The real difference between the bill now and what the Senate passed was that the Senate provided an immediate quota. The quota became a fact of life. In this bill the quota does not come into being unless imports become excessive and exceed the limits we have established, in which event the President is required to proclaim the quota. So the basic difference is that in the bill as it passed the Senate there was a quota, and in the bill as it comes from conference there is not a quota unless its need is demonstrated.

Mr. MILLER. Am I to understand, when the Senator refers to the President acting and proclaiming a quota, that the quota he would proclaim would, for all practical purposes, be the same as that which would have been put into effect had the amendment adopted by the Senate gone into effect, absent the growth factor?

Mr. SMATHERS. The answer to that question is "Yes."

Mr. MILLER. I thank the Senator.

Mr. ALLOTT. Mr. President, I also want to express my appreciation to the distinguished chairman of the committee and the members of the conference committee. I believe they have done a wonderful job on the bill, although I must say I am disappointed in the total net outcome of it. However, I am not unaware of the problems which they faced, and these probably can be named in two categories: First, that of the other body and its attitude toward this problem, and second, the attitude of the State Department.

I have in my hand telegrams from the executive secretary of the Colorado Cattlemen's Association, the master of the Colorado State Grange, and the executive secretary of the Colorado Cattle Feeders Association, urging support of the conference amendment.

Mr. President, I must concur in the previous remarks made on the floor that the State Department exerts entirely too much influence on legislation which Congress passes. This is not to be critical of the Senate conferees for the position they finally had to take, or of the bill which finally came out of conference. I am cognizant of the factors which shaped the bill.

However, it is not only the agricultural products of this country which have been adversely affected by the attitude of the Department of State; it is the complete raw material resource industry of this country. It extends not only into agricultural products, but also into forestry, and greatly into minerals. In fact, the mineral production of the West has been practically destroyed over a period of years through our negotiations with GATT, in which our so-called good foreign relations with other countries have been taken into consideration, while our

own industries have been "sold down the river."

As I understand the bill, it will set the amount of the imports at 725,400,000 pounds a year. This amount will be increased to an amount which will be 110 percent of that, or 797,940,000 pounds before quotas could be imposed. There is also a growth factor, based upon consumption, that would increase this base amount.

I hope it will work. I hope the Secretary of Agriculture will, for the first time, live up and measure up to his responsibilities to the people and the farmers of this country, for whom he has a peculiar responsibility under his appointment in the Cabinet.

I hope the President will take immediate action to invoke the quotas when these amounts are exceeded.

The distinguished Senator from Nebraska has stated that many of us will be watching this matter very closely.

The imports are a significant factor in the fall of beef prices in this country. We cannot ask a man to put heifers and steers in the feedlot and feed them for a period of 6 months, only to sustain a loss of \$40 to \$75 per head on those animals, and then say that the consumer is entitled to buy that meat at that price. Yet that is what some of our friends seem to think should be done. I wish to say further that, as a result of what has happened, we have only had the first round of the recession in the cattle industry. The second round is now making itself felt, appearing throughout the West and Southwest at the present time. That is where the producer and breeder of cattle is located. He is the one who, despite the fact that in the last 2 weeks there has been a rise in cattle prices, is now selling his feeders and stockers at below cost, and will continue to do so for the next few months unless there is a reversal of our policy.

I supported the Hruska amendment and I supported the Mansfield amendment. Either one would be preferable to the present provision.

I am particularly disappointed that lamb was not included in the bill. It is true, as the distinguished chairman of the committee has said—and I believe this is generally true—that lamb is not a substitute meat product as is the case of mutton, which is used in hamburgers, sausages, and similar products. Although the State Department and the Department of Agriculture claim that the average annual imports of lamb is only 3 percent of domestic production, the fact is that imports equaling as much as 18 percent of our domestic production of lamb has fallen on the market in the East in the course of 1 month. One does not have to be a great economic expert to understand what this will mean to the feeders and raisers of lambs in this country.

I am greatly disappointed, therefore, that lamb was not included. I predict that we will still have to face the problem of lamb imports to this country.

I again express my appreciation to the committee, even though I personally would have been much happier with the bill as it came out of the Senate, which

actually imposed quotas. With that bill we would have known where we were, and we would not have to await the will or whim of the Secretary of Agriculture to get effective and protective relief for American agriculture.

Mr. SIMPSON. Mr. President, I, too, compliment the committee—not only the conference committee, but also the entire Committee on Finance, for the marvelous work they have done on this particular bill. I am not unmindful of the many requests that I made of the distinguished Senator from Virginia [Mr. BYRD], in behalf of livestock growers, asking that they be heard, and the fact that they were always given courteous consideration.

I am not sanguine about the beneficial results that are expected to flow from the enactment of this legislation. I am inclined to share the pessimistic view of the distinguished Senator from Oregon, when he said that he has little hope that it will do what is needed.

I am sorry I cannot join the distinguished Senator from Nebraska [Mr. HRUSKA], who has done such yeoman work on behalf of the livestock growers of the country, in his optimism with respect to the bill.

I share the sentiments of the distinguished Senator from Colorado [Mr. ALLOTT] with respect to the elimination of lamb from this bill.

Senators will remember that I stated before that imports of lamb and mutton continue to threaten the existence of our domestic sheep industry. As I previously said, further tariff reductions would only cause additional economic distress.

Poundage of dressed lamb imports has increased 89 percent during the first 9 months of 1963 compared to the same period in 1962. They were up 1,000 percent as compared to the same period in 1957. Poundage of dressed mutton imports is up 7,264 percent during the first 9 months of 1963 as compared to the same period in 1957.

The cattlemen seem to be happy. The State Department and the Chief Executive seem to be happy. The sheepmen are unhappy about the exclusion of lamb products. I am in between. I share some of the optimism and a great deal of the pessimism. I am hopeful that some good will flow from the results of this bill. We must recognize that it does not impose mandatory quotas. It all depends on certain things happening on an international scale.

I again wish to say to the distinguished Senator from Virginia, to his committee, and to the fine conference committee that at least this is a foot in the door. Much more needs to be done, and I am hopeful that good, beneficent results will flow from the bill. By the same token, I have serious misgivings. When I find in the bill the provision: "All determinations by the President and the Secretary of Agriculture under this bill shall be final" I have more misgivings than I had before.

Mr. DOMINICK. Mr. President, I shall be very brief. I should like to ask a question of the chairman. First I wish to express my appreciation for the courtesy which the chairman has shown

to my colleague and me in our presentations before the Committee on Finance, in our efforts to have something effective done in this field. I am not sure that we have done it, but perhaps we must adopt the adage that half a loaf is better than none. Perhaps otherwise we would not have gotten even a half loaf.

A provision in the bill permits the President to waive all quota requirements under certain unusual circumstances—the exact language being “overriding national economic interest.”

The conference report, at page 7, in the first paragraph, states:

Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

Yesterday, the Prime Minister of Australia, apparently in an official speech, threatened to cut off six U.S. exports to Australia, including tobacco and automobiles. I have forgotten what the others were; but certainly they were not things grown or made in Australia, so far as I can ascertain.

Would this type of threatening—not the action itself, but the threatening—in the Senator's opinion be grounds for action by the President, or for saying that he will suspend or increase quotas?

Mr. BYRD of Virginia. I do not think it would be. This particular section was discussed for a long time by the conferees. The House insisted upon the language that the Senator from Colorado just read. The staff informs me—and, of course, I recall it—that if our exports to Australia were barred the national economic interest of Australia could be jeopardized, rather than our own. In any event a threat of retaliation is not sufficient to justify suspension of the quotas. Moreover, in applying the provision to which you refer, the President must give special weight to the importance to the Nation of the economic well-being of the cattle industry.

We did the very best we could. I believe the bill will protect the interests of the livestock producers more than any other bill that has ever been enacted.

Mr. DOMINICK. Mr. President, I sincerely congratulate the Senator from Virginia. He has been not only patient, but very careful in his consideration of the bill. He has spent countless hours upon it, for which we who are so interested are deeply appreciative.

My concern is not really with the actual form of the bill that has been brought out of conference, although I wish it included lamb. My concern is whether in the administration of the act, and the various duties that would have to be performed, the State Department and the President could disregard the obvious wishes of the Senate and House if they felt so inclined.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MORSE. I am glad the Senator from Colorado has raised a question as

to this language in the report, because it is merely another form of the so-called Presidential escape clause that the State Department proceeds upon or makes use of in order to work its will and not the will of Congress. We have lived with this “gimmick” for some years in respect to restrictions that we have been able to include in foreign aid bills, only if we are willing to accept the Presidential escape clause. In the last analysis, this means that we accomplish nothing, because the White House and the State Department can always find rationalizations for working their will and not abiding by the will of Congress. We have just found it impossible to terminate foreign aid to Indonesia if we leave the slightest discretion in the matter to the administration.

Let me show the Senator how, in my judgment, it would be easy for the President and the State Department to work their will in connection with beef imports, through the very language that the Senator from Colorado has wisely pointed out. We can start with the example of what the Prime Minister of Australia threatens to do.

Diplomats have interesting ways of working. Does anyone believe that U.S. diplomats will not, in their conferences, call attention to this language? If so, I say, respectfully, that he could not be more mistaken. When we consider a set of operative facts between the United States and country X, we will find this type of threat: “If you follow this conference report, which is the will of Congress in respect to protecting the American beef industry, we are going to stop importing into our country the following items.”

Then the President will issue a report to the effect that in view of unforeseen conditions and new developments, he finds it necessary in the economic interests of our country to suspend the protection that Congress sought to obtain through the conference report. This language will not work in any case in which the State Department wants to undercut us. That will be whenever it wants to carry out the State Department design for the advantage of some industry in this country to the disadvantage of the American farmer. The American farmer does not have a chance in the State Department.

Mr. DOMINICK. I appreciate the comments of the Senator from Oregon. His fears are completely shared by me. This is the reason why I have raised the question. I am most gratified, in trying to keep the record straight, to learn that at least the initial reaction of the Prime Minister of Australia would not be deemed sufficient by the chairman, at least at this point, to invoke this kind of action by the President.

I wish to make one further point. Obviously, any nation engaged in this kind of negotiation will be doing some horse trading, like anyone else. We are all horse traders if we can be. What I wish to make absolutely clear is that, so far as I am concerned, the mere use of this type of weapon by another country in order to try to induce us to put quotas into effect should not be enough to cause

the President to invoke the economic-interest clause. It seems to me that we ought to do some good horse trading ourselves, and perhaps this is the weapon that will give us that right.

I shall support the conference report, but I wish it provided some other protections.

Mr. McGOVERN. Mr. President, I hope that the conferees will accept the conference report. The fact that the conferees from the two Houses, the cattlemen, the Department of Agriculture, and the State Department have found a basis for agreement, should be sufficient assurance that American beef and mutton producers will be provided with the protection they need without violence to our international trade relationships.

It is especially pleasing to me that the orderly legislative process has brought about an agreed-upon beef import limitation.

I opposed adoption of a beef import limitation when the wheat-cotton bill was before the Senate. I said then that its addition, without hearings and without consultation with the executive department, would end in the defeat and death of both wheat legislation and any limitation on beef imports. That result had been made very clear to us at the time.

I said then that, in my opinion, a beef and mutton import limitation would be far more likely to be enacted if considered in an orderly way, after hearings by the Finance Committee, than if the effort to force it on the administration was attempted.

My prediction has proved correct.

Representatives of the cattle industry have advised me that they are fully satisfied with the language that has been worked out. My State cattle producers association has wired me of their support of the conference report. I have been advised by the State Department and the Department of Agriculture that they will recommend that the President sign the bill when enacted.

Enactment of this bill will mean achievement of desirable legislation for both our meat producers and our wheat producers. A few months ago we were on the verge of sacrificing them both by premature action.

I might comment that the intervening months have been punctuated with some pretty sharp criticism of our failure to pass the Hruska amendment. As late as last week, statements have appeared in the South Dakota press indicating that there would be no bill, that it was intended for the bill to die in Congress.

This was not my intention. I know that it was not Majority Leader MANSFIELD's intention. By handling the matter in an orderly way, we now have wheat legislation which has meant at least \$450 million to the wheat growers of this Nation on this year's crop, and we are soon going to have beef import legislation.

My support of measures which reduce shipment of beef into the United States, where we have a great abundance, is and has always been genuine support.

As food-for-peace administrator, I saw the pathetic results of malnutrition and

lack of protein in diets around the world. I am acutely aware that protein is the great need of millions of underprivileged.

America does not need large amounts of imported beef. Underdeveloped lands do need it. If international trade and domestic price complications were set aside, everyone would agree that, in the interest of humanity, exportable meat stocks in any country should be sent to the countries which have need for protein. There would be no debate about policy. I am pleased that the Senate accepted my amendment to the foreign aid bill last week which authorizes the use for \$50 million in foreign aid funds to purchase American beef, poultry, dairy products and other high protein foods for use in our oversea school lunch program.

Over and beyond the justifiable consideration of the plight of our domestic cattle industry, there is this consideration of distribution policy which, in my mind, is of high importance.

I believe that a number of benefits will flow from acceptance of the conference report. I am glad that they are attainable without injury to trade relationships.

One is relief for our domestic cattle industry.

A second benefit is to permit the industry to give its attention to adjustment of domestic production, which has grown excessively and is the major cause of recent disastrously low prices.

A third is the better pattern of world distribution of exportable meat production from the exporting countries.

With a decline in imports of lower grade meats, I believe there will be increased demand for and liquidation of excessive cow numbers, both out of dairy and beef herds, which will assist in the production adjustment.

I hope that the conference report will be adopted.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator from New York withhold his suggestion of the absence of a quorum? I would hope the Senator from New York would let the Senate proceed, because other conference reports are waiting.

This subject has been discussed quite thoroughly. The conferees representing the Senate have done a splendid job, all things considered.

I suggest to the Senator from New York that it is my strong belief that most Senators have, in effect, made up their minds. We are approaching the climax of this most important question. I would not agree with some of the remarks made on the floor of the Senate to the effect that the State Department and the Department of Agriculture will seek loopholes, because on the basis of the history made during the course of the debate on the Hruska amendment at the time the wheat-cotton bill was under consideration, during the debate on the Curtis-Mansfield amendments; and during the consideration of the conference report today, the situation with respect to congressional intent is clear.

The executive department came a long way toward meeting the needs of the

cattle industry, needs which I believe should have been looked after a long time ago, needs which are now being faced, needs to which I am quite certain, on the basis of the illustrations I have given, the State Department and the Department of Agriculture will pay careful attention now.

I hope we may get on with the conference report and move on to other business, as well.

Mr. JAVITS. Mr. President, this impatience with me is hardly matched by the limitless patience which is expended upon individual Members and upon groups of Members in this Chamber. Thank God for the fact that if I am recognized, I can still hold the floor or ask for a quorum or oppose the conference report. I was beginning to doubt. The arrows were falling all around me but did not quite reach me, although I was on my feet seeking recognition not less than five times. I thought perhaps that opposition would no longer be permitted in the Senate, that perhaps it had become unfashionable to oppose.

I am a quiet fellow, a rather mild fellow, but if necessary I can speak for 23 hours, too. I am capable of it. I am physically able. I feel full of fight. I believe that I have as much on my mind as the Senator from Oregon or the Senator from South Carolina, who hold great records in the Senate for long speeches. So, with all due deference to the majority leader, we are not going to get our business done by Friday night anyhow. The Senate could just as well be held up by a debate on the conference report on the beef imports bill. The fact is, I believe it to be a lot better cause than reapportionment, because it involves the pocketbooks of the American people to the tune of billions of dollars.

From sitting in the Chamber one would believe that we are running an export deficit and not an export surplus of over \$6 billion, and one would not believe that even in the area of agricultural exports we are breaking all records. The Senator from Arkansas [Mr. FULBRIGHT] spent—quite properly—all the time of the U.S. delegation to the NATO Parliamentaries' Conference, expressing his opposition to the fact that Europeans dared to bar our chickens. We were insulted. What we were going to do about that subject would not be fit to write in a book.

Here we are establishing an elaborate scheme to bar the meat exports of our closest trading partners. This game can be played by two, not just by one. Whatever the Senator from Colorado may say, the Australian Prime Minister, Mr. Menzies has a tough case. We may like to put on a quota for beef, but he will put on a quota for airplanes and other things which Americans export and live on.

Who buys this imported beef? The working people of New York—and they have to learn a living, too. There is lots of room for opposition to this conference report. It is not nearly so hot as it is cooked. Only one side of the case has been disclosed. Since I have been in the Senate, we generally alternate from side to side. Thus far we have had the en-

tire case of the plaintiff put in, so that the defendant has lots of time. I am in no hurry whatever. As much as I love and respect the majority leader I will not be smothered, as I was smothered when this conference report came up.

Mr. SMATHERS. Mr. President, will the Senator from New York yield at that point?

Mr. JAVITS. I yield.

Mr. SMATHERS. I should like to inquire whether I understood the Senator from New York correctly. Is he indicating in his statement that he has not had a fair share of the time on the floor of the Senate this year?

Mr. JAVITS. I am saying that I have not been heard on this particular issue which relates to the conference report. I have had as much time or as little time as any other Senator, when I could get the floor.

Mr. SMATHERS. Does the Senator disagree that this is the only issue he has not yet been heard on?

Mr. JAVITS. I refuse to yield at this point—let me finish my statement, and then I shall be very happy to yield further to the Senator from Florida.

This is the only issue I have not been heard on yet. I am going to be heard on it right now. I shall be heard on it, I hope, with reasonably equal time. The only thing I complained about was the fact that we had a whole case presented in consecutive order, without any intercession or any opposition made, notwithstanding the fact that it was well known that I opposed it. That is why I was on my feet. I am generally a quiet and peaceful fellow, very anxious to get along with all Senators—and I still am, and will be, but I believe that—

Mr. SMATHERS. Mr. President, will the Senator from New York yield at that point?

Mr. JAVITS. Not yet. The Senator will forgive me for indulging myself, perhaps, a little bit in the prerogative of a Senator wishing to be heard, when he has something to say. It is reasonably close to the time when what I have to say should be said.

Mr. SMATHERS. Will the Senator yield right there?

Mr. JAVITS. I yield.

Mr. SMATHERS. I totally agree with the Senator. He has every right to say anything on his mind. However, I would not want the Senator or other Senators to believe—or the people who might be listening right now—that the Senator is in any way being smothered, or in any way has been refused the opportunity to state his case on practically every issue that has come before the Senate.

It has been my observation of the able Senator from New York that if one looks into what other Senators have said and compares it with what the able Senator from New York has said on any given subject, I believe that it will be found the able Senator from New York has taken considerably more time. If it were possible to place a quota on each Senator's speaking time on a given issue, we would find that the able Senator from New York has run considerably over his quota compared to the average quotas for other Senators. However, he has got

a right to say what he has on his mind. I would not wish him to make a statement and to have it go unchallenged that he has not always had and has not always been able to take every opportunity to express his particular views on most every subject that comes before the Senate.

Mr. JAVITS. Fortunately, Mr. President, the content of what a Senator says is not measured by volume. On that basis, I do not know whether I would meet the average or not. Nor is it pertinent to discuss the obvious. A Senator can obtain the floor some time or other, though it may be late at night on occasion, to express his views on a certain issue before the Senate. My statement was in response to what the majority leader said about getting on with our business. I suggested the absence of a quorum. The majority leader asked me to withhold it, and then gave me a little homily about the fact that we should get on with our business—which to me means that I should sit down and pipe down. That was all I was talking to.

I love the majority leader. I admire and respect him. I have proved that a thousand times—and I shall do so again; but on this question, I respectfully reserve the right to be heard.

Mr. President, I am opposed to the conference report. I shall vote "nay" on it.

Here we are engaged in an elegant charade which so often we see in this august body. We have no business to pass the bill in its present form. We had no business to pass it, in the first place. Having gone up the hill, we will march right down again. I did not wish to be a party to it when it began, and I cannot in conscience be a party to it now.

Why do we not have the right to pass this bill? Because it disrupts far more than it can save. Meaningfully, I take my text from what one of my colleagues said a minute ago, who is a passionately devoted private enterpriser. He says:

No consumer may buy at less than the cost of production in this country.

Mr. President, if that be true that no consumer may buy at less than the cost of production in this country, then we might as well fold up the private enterprise system right now and forget it.

The fact is, every Senator in the Chamber who opposes governmental regulation is contending to the fact that every consumer has a right to pay any price he can get honestly and legitimately, and that the only true corrective of a society is that if things get out of hand, if products get too expensive and people produce too much, they are penalized and then they have to sell at less than cost, and then they will not do it again.

That is what has happened to domestic beef production. But we are trying to bail the cattle industry out, not by the traditional economic system, not by the system we have applied to farm production in this country. We are trying to bail them out by penalizing the whole foreign trade of the United States.

There is just too much at stake to do that. I argued that when the bill was debated on July 28. I stood here with the aid of 15 other gracious colleagues who voted with me, but the State Department and the Department of Agriculture apparently preferred to do their business behind closed doors in the conference committee and, I might say, did it pretty well in this particular case. Those who have a case for the American export business and for the producers in the United States who produce for that export business, have a right to have aid and comfort and support in open daylight and not just behind closed doors, especially when these battles have to be fought, as they are, in open daylight.

Why am I still opposed to this conference report? Even if the escape hatch is so wide—and it is—I say that with all due respect to my colleagues who fight so diligently for their people, the cattlemen, as I fight for my people, the city dwellers who do most of their farming in window boxes, I am opposed to it for the reason that it gives a permanent basis of pressure upon the exports of the United States and upon the President of the United States.

It encourages the cattlemen not to deal with their problem as they should deal with it; namely, by dealing with overproduction, in which they have been engaged as businessmen. They do not come frankly to Congress and say, as wheat growers or producers of other agricultural commodities, "We need help. We need quotas. We need subsidies. Whatever it is, we shall fight it out. We shall either do it or not do it. But we shall fight it out on the traditional basis that we have been following on the farm problem."

But instead of doing that, we are still letting the cattle industry beg the question. They are going ahead and digging the pit even deeper than they have done so far. They then put pressure on the President through the Senator from Montana [Mr. MANSFIELD], the Senator from Wyoming [Mr. SIMPSON], and others who are seeking to impose a quota.

Mr. President, such pressure on a person can become more intolerable than the demands of the world, the demands of the national interest, or of national security. But when we are heading up to November 3—a very big day in the country—the public will be conscious of it.

I feel that it is wrong to enact a piece of legislation which is not based on sound policy so far as our country is concerned, and merely say, "We shall let the President make the decision if he finds certain conditions prevail."

All we do is shift the responsibility to the President. We abandon our prerogative. We do not help the cattlemen. We only encourage them to dig their pit deeper than it is already dug. In my judgment, we hurt the export business of the country. We hurt the American consumer. The American producer must have this competition in order to keep his own prices within some kind of reason.

The President may suspend quotas if

it is required by overriding national security interests of the United States and if beef and veal imports will be inadequate to meet domestic demand "at reasonable prices." I believe that Senators from the consumer States have a right to call that factory very sharply to the attention of the President—"at reasonable prices." It is not only a matter of adequate supplies, but also reasonable prices.

We hope that the President will be just as true to that standard as our friends from the areas that raise cattle want him to be true to the other provisions of the bill.

The President may suspend the quotas if required by overriding economic interests of the United States.

I point out that that is defined in the conference report, which is authored in the other body, as follows:

It was the understanding of the managers both on the part of the House and of the Senate that the overriding economic interests of the United States referred to in paragraph (1) include largely trade and balance-of-payment considerations. If, for example, the President could expand U.S. exports for dollars significantly, or prevent a drastic decline in such exports, by suspending or increasing meat import quotas, this would be in the overriding national economic interest. If a balance-of-payments deficit were to threaten U.S. fiscal integrity, and if the situation could be materially improved by suspending or increasing quotas, this would be in the overriding national economic interest. Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

I believe that we who are on this side of the question have a right to emphasize, first, that the United States has a serious deficit in its international payments, and that the biggest plus factor in our balance of payments is the very favorable balance of trade which needs to be encouraged on our part. It is important to keep that balance of trade very strongly in our favor, in every line and in every country, including the countries which sell beef to us. That includes very significantly Australia, New Zealand, and Argentina—which, as we know, is in quite a delicate political situation.

The difficulty with the bill, in addition to the points which I have already made, is that it is essentially a standby protectionist measure. For a country whose economic well being is so greatly affected by exports, even a standby protectionist measure is unwise and very impolitic.

We must remember, too, that this bill sets a pattern which many others may follow. And so the protest—and that is all that I am making, is a protest of critical importance—is to let special interests in the country know that some States are alert to what is afoot, and intend to oppose it.

There are shifting coalitions in the Senate. I may have been defeated in the vote on this bill by a vote of 70 to 16.

But if the protest is continued and the reasons are elucidated, perhaps we shall win on another occasion, on another day, and fend off some protectionist measure which would be again very harmful to the American export and import business.

As to the consumer, one thing which is very important is that the meats which are imported and upon which this bill was intended to operate generally go into the cheaper items of consumption. They go into hamburgers. They go into frankfurters et cetera. It is one of the powerful aspects of the American economy that the individual consumer has such a wide range of choice in terms of his consumption and can get such a plentiful diet for a relatively reasonable part of his income that it will encourage him to buy other things which are so critically important in the American economy.

It is the duty of those who are deeply interested in maintaining the production of industrial goods at a high level to maintain them in that manner. Hence, I am sure many others, like me, have an interest in reducing the cost of living—especially representing those in the low and moderate income group who consume so many of the less expensive items affected by this bill—insuring that they may have a reasonable price level maintained for them, unaffected by the artificialities which would be introduced if quotas were imposed, as proposed in the bill.

In summary—and I invite the attention of the Senator from Montana [Mr. MANSFIELD] to what I shall say. I hope the Senator will understand that what I said a while ago was in no way directed at him. It is normal for a Senator who seeks recognition for a while and does not get it to have the feeling that the game is going strictly one way, and that in all fairness the opposition ought to have its day in court at a seasonable time, when there are perhaps a few people around to listen.

Mr. MANSFIELD. Mr. President, I must apologize for asking the Senator to withhold his suggestion of the lack of a quorum.

I become a little excited at times. I do like on occasion to speed up legislation. I am deeply grateful to the Senator for his usual courtesy and graciousness in not pressing for a quorum. As the Senator knows, he was perfectly within his rights.

I am sorry that the occasion arose. I therefore want to let him know my feelings and assure him that his stand on this particular question has been well known, and that the leadership contemplated keeping him informed of the time that the report was to come before us for consideration.

The Senator has as much right to speak for as long as he wants to and express his point of view as any Senator has. He did have to wait a long time. I do not think the delay was intentional. As the Senator said, he was surrounded by many Senators who hold an opposite view to his.

Mr. JAVITS. I thank the Senator. As the Senator has said—and I am the

first to acknowledge it—he has always treated me with unparalleled courtesy.

I asked for time on the conference report, and he granted the time.

With the indulgence of the Senator from Montana [Mr. MANSFIELD] I shall seek a quorum call before the vote is taken. I believe that other Senators should be informed that the matter is being voted on.

Mr. MORSE. Mr. President, I suggest that the Senator withhold his request so that I may reply to his remarks.

I have a few comments I should like to make, if I may, by way of rebuttal.

Mr. LAUSCHE. The Senator from Ohio will never allow anyone to be disappointed.

Mr. MORSE. In the interest of saving time, I suggest that the Senator withhold his suggestion of the absence of a quorum. I assure him that I shall ask for a quorum call or yield to him so that he may do so.

Mr. JAVITS. Of course, the Senator from New York understands that only too well. He has no desire to delay action. I hope the Senate completes action on the conference report this evening—unless Senators have other ideas. I wished to have an opportunity to express my concern with respect to it. I believe that the Senator from Kansas [Mr. CARLSON] also wishes to make some remarks on the conference report.

I conclude as follows: First, I point out to Senators that even the wild bird—and that is “b-i-r-d” and not “B-y-r-d”—provisions of the conference report were redeemed in the conference, and the House had its way. My colleague from New York [Mr. KEATING] succeeded in having stricken out that provision of the bill which provided for the free entry of wild animals, including birds and fish. Nonetheless, it now reappears in the bill, except that the way in which it reappears has been very considerably limited. We had received many protests from the National Audubon Society and other lovers of wildlife in the country to the bill as it came to us, on the ground that its language was much too loose and might result in the imposition of cruelty which was unwarranted. The conference report is confined strictly to imports of wild animals for use, or for sale for use, in any scientific public collection for exhibition for scientific or education purposes.

I should like to ask whatever Senator is handling the conference report on the floor of the Senate now, or some member of the Finance Committee, whether it is the intention of the conferees that that particular provision of the conference report shall be strictly construed and confined strictly to the terms of reference used in what will be the applicable law?

Mr. McCARTHY. Mr. President, I was not a member of the conference committee, but after reading the conference report, I would certainly anticipate that it would be strictly construed. We have not started redefining the words of the English language on the floor of the

Senate, as some candidates have started redefining them on the trail. I would expect, therefore, that what is said in the conference report would be strictly interpreted, and that the animals would be brought in under the very rigid controls and for the very specific limited purposes which the conference report indicated would be necessary if any importation should be permitted.

Mr. JAVITS. I believe the Senator from Florida [Mr. SMATHERS], who is now in the Chamber, was a conferee. I should like to repeat the question in order to give him an opportunity to reply if there is anything to be added.

I asked whether or not, with respect to the provision which persists in the conference report now, and which was not in the bill when it was sent to conference, with regard to wild animals, et cetera, it was the intention of the conferees that the provision should be strictly construed. I asked the question so that in the administration of the law the Federal authorities would have a guide indicating that we have taken account of the complaints of the National Audubon Society and other groups interested in wildlife, who complained against the original bill sent to us, and so that the record shows that we have sharply restricted the provisions which came to us in the original bill from the House, and that it is our intention that it shall be very strictly construed.

Mr. SMATHERS. The Senator is correct. The House bill took the duty off wild animals and wild birds imported for exhibition. The Senate deleted this provision. We in the conference restored the provision, but in a greatly restricted form. We shall let wild animals and wild birds be brought into the country if the importation is only for the purpose of the sale of such animals, birds or the use of them in municipal zoos or for other scientific exhibition purposes.

Mr. JAVITS. The provision in connection with exhibition, which I would not want to expand, reads “exhibition for scientific or educational purposes.”

Mr. SMATHERS. The Senator is correct. I am happy that he made that notation. The language is “exhibition for scientific purposes.”

Mr. JAVITS. It is our intention that the whole provision be strictly construed.

Mr. SMATHERS. The Senator is correct. In effect, we bought the case that was made by the Audubon Society, the Humane Society, and those who objected to the House bill to the attention of the House conferees.

Mr. JAVITS. To summarize my own position, it is true that the provisions of the conference report as now before us would give to the President the very discretionary authority which we ought to exercise ourselves. The Senate should vote down the conference report.

There are certain considerations upon the basis of which the President will suspend the operation of the quotas. Such considerations include the overriding economic interests of the country and the inadequacy of the domestic demand at reasonable prices to meet the

situation of production here. What we are doing is providing a structure in the bill which will only lead cattlemen to believe that they have something when in fact they should not have that kind of relief if the President follows these instructions, and therefore they will not adopt other methods to deal with the situation. I am interested in them as American businessmen. The conference report represents legislation which we should not pass, and therefore I shall vote "no" on the question of agreeing to the conference report.

Mr. President, I shall not now ask for a quorum call. I shall make the suggestion, unless some other Senator does so, before the vote on the conference report.

I want to make one final point. The conference substitute provides in section 2(c) (3 for allocation by the Secretary of Agriculture of the total quantity of meat to be imported among supplying countries on the basis of the share such countries supplied to the United States during a representative period. As the language now stands, this provision is susceptible of a construction that supplying countries will be able to control how and who shall buy and distribute the beef, veal, and mutton that may be imported into the United States under this bill.

Representatives of the importers involved expressed deep concern over this provision in the bill as it may result in unnecessary and continuing confusion and uncertainty with disruption or constant threat of disruption of long-established normal channels of trade.

It is my interpretation, however, that section 2(e) of the bill—directing the Secretary of Agriculture to issue regulations to enforce the bill—gives the Secretary ample authority to issue regulations controlling the administration of the meat import quota.

Mr. MORSE. Mr. President, I wish to make a few remarks in respect to the Senator from New York. With his typical frankness and intellectual honesty, he points out his great concern about the residents of the great metropolitan areas of New York and about the workers in his State.

The purchasing power of the workers in the State of New York and every other State is dependent upon the uniform strength of our economy through all of its brackets. It is a truism that no one can successfully question that a civilization will soon find itself in a declining state if the leaders of the government of that civilization do not recognize that the production of proteins, fats, and fibers—the production of the food supply of the people in any civilization—determines in no small measure the height to which that civilization can climb.

I have a constant interest in the welfare of American labor. But let American labor never forget that its welfare is also dependent upon the welfare of the American farmer. And so in a piece of legislation such as that proposed, we have a problem of balancing interests. We have a duty as legislators to see to it that we follow a legislative course of action

that does not do irreparable damage to any group. In this instance, two groups are directly involved. We must see that it does not do irreparable damage to either the farmer or the worker. Before I finish, I shall seek to point out that the beef quota program that some of us supported and took to conference would not have done the damage to the American worker that is assumed by the Senator from New York; but, in my judgment, quite to the contrary. As a Member of this body, I am concerned about the trend in American agriculture, both in respect to its domestic aspects and, in this instance in particular, in respect to its foreign export aspect. There are not very many in our country who fully realize that by the year 2000, which is not so many years away, there will be great concern about the production in the United States of an adequate amount of food to feed the American population.

It is interesting to note that our population experts and our agricultural economists are already forewarning the American people that by the year 2000 or the year 2025 we may be a food deficient country. To date we have never produced one pound of surplus food. In spite of all the talk we have had over the years about the so-called subsidies that have been voted in connection with food production, the fact is that we are not a food surplus producing country.

We have done a very poor job of distributing our food domestically. We have permitted many in our country to go hungry or to suffer from undernutrition or malnutrition. We have done an exceedingly poor job of using our food in exports as one of the instruments for waging peace.

We have a trust to be thinking in our own generation about our obligation to future generations of Americans who will live in the year 2000, in the year 2025, and beyond. City populations a generation from now will not give any thanks to urban representatives who cut down the availability of food and fiber by curbing production in 1964.

We must not follow a course of action that undermines and does irreparable damage to present and future production of protein, fat, and fiber upon which our civilization is so dependent.

That is a broad, abstract principle, but an undeniable one, and one we must keep in mind as we try to forge a compromise that is workable in the public interest.

The Senator from New York is concerned because a good deal of the meat we are importing is in so-called low-quality cuts, hamburger, and meat used for sausages and similar meat products. We have our hamburger problem, too. Our cattle industry produces at least the same amount of hamburger and so-called low-quality cuts as do foreign producers. What are we going to do about that problem?

Even without imports, cheap and plentiful food is one of the greatest advantages our city people have over the city people of other industrial countries. But at the rate our population is increasing that may not be true in the year 2000

unless we expand and not contract our agricultural production.

Unless we do we may find ourselves heavily dependent for food upon other countries and at that point you are going to force great changes in living standards upon the American people.

The question is whether we are to adopt a meat policy, legislatively speaking, that will protect our cattle industry and our sheep industry. I join with Senators who have expressed great regret that all protection for lamb was dropped out of the conference report. We have been doing great harm to the lamb producing industry over the years. That is why I am amused when I hear about the protests from Australia. After what Australia and New Zealand have done to the lamb and wool industry of this country, they ought to be the last to be raising an objection, through their Prime Minister, to a meat quota bill.

Our problem is to strike a balance which will put this segment of agriculture into a fair competitive relationship with the foreign producer. The Senator from Oregon has never stood for exclusion. I do not stand for exclusion in regard to meat or in regard to other imports. The time for an exclusion program is gone forever. But we have an obligation at least to protect the economic interests of American producers. We have an obligation to protect the American producers by guaranteeing them a fair competitive relationship with the producers abroad, whose products we permit to flood our consumer market.

The Senator from Oregon has never limited himself to the beef issue. I have stood on the floor, and will again, arguing in connection with the interests of the lumber industry, and the question of what Canada has been doing and is doing by way of a variety of direct and indirect subsidies to Canadian lumber interests that put the Canadian mills at a competitive advantage over American mills for the great lumber trade of the Midwestern and Eastern States.

I am never surprised when the eastern Senators oppose those of us who only try to strike a balance that will give to American lumber producers a fair, competitive break with Government-advantaged lumber producers in Canada.

We are all in the economic boat together. I am always at a loss to find Senators from various regions of our country perfectly willing to seek an advantage for their consumers to the unfair disadvantage of the producers where the raw materials are produced in the great agricultural areas of the country. That is not in the longrun interest of consumers.

All I am pleading for is that we give agricultural producers a fair break in competition with foreign producers. The Senator from Oregon will be found in vote after vote in the Senate taking the same position in connection with the American textile producer or the American industrial producer of other commodities. But I do not propose to sit in the Senate and always let the American agricultural producer be put at the bottom of the economic totem pole.

The Senator from New York wants to know where the foreign producers are going to sell their products; and says that we have a balance of trade in our favor. Our European friends do not intend to leave it in our favor. That is why I have completely lost confidence in the State Department in respect of our foreign policy vis-a-vis agriculture, because in instance after instance it is willing to sacrifice, at Geneva, American agriculture in order to maintain support for finished industrial products.

I want finished industrial products to be protected, too, but I am not going to stand by and permit American agriculture to be made the sacrificial goat in this whole policy. That is what the State Department is doing.

I would have the Department take a look at our foreign policy in terms of foreign trade as respects our alleged allies in Western Europe, such as Great Britain, France, Belgium, Holland, the Scandinavian countries, West Germany, and the rest. The record is crystal clear that they are perfectly willing, at Geneva, to put on diplomatic pressure to have all the bars lifted in regard to our agricultural products. When we make suggestions about a reasonable quota, threats are made as to what they are going to do to our industrial products. We must stop being bluffed by such threats.

I concur with the Senator from New York in that part of his speech in which he pointed out that the Presidential escape clause in the bill is very broad. It is as broad as two sliding barn doors through which one can drive not one, but two loads of hay, at one time. Through this escape clause, any time the State Department wishes to lower the boom on the American cattle industry, it has the means with which to do it.

Who does it? The State Department, of course. Oh, it is said, this power is given to the President. However, Senators know as well as I do that the President will follow the recommendation of his Secretary of State, or get a new one. Of course the State Department will call the tune again in my judgment; and when the diplomatic heat is on the American cattle producer and, in the long run, may I say to my friend from New York, the American workers will suffer.

If we follow the policy that we are following with regard to the attitude of the international traders in the State Department, in the international conferences on American products at the Kennedy round now going on with GATT at Geneva, we will wind up with the American agricultural industry being discriminated against, as it has been discriminated against for the past 15 years.

What is the policy of the alleged European allies whom we have rehabilitated to the tune of billions of American taxpayer dollars? They are not able to sustain themselves agriculturally. They have had for a long time an agricultural trade with the United States. Now they are seeking to transfer it wherever they can trade with other

countries, countries where they can get their agricultural products. I say to the chairman of the committee, my friend the Senator from Virginia [Mr. BYRD], that I could call him to the witness stand and he would testify to that fact, because he and I and other Senators over the years have tried to do something about the unfair discrimination being practiced by such European countries as Great Britain, France, and West Germany against American fruit. They are following a policy of holding it out to the minimum extent possible and getting their fruit elsewhere; and when they cannot get enough to fill their needs elsewhere, they let American fruit in, in dribbles. De Gaulle is following a very interesting policy of waiting until the Christmas trade is over. It is during the Christmas season that the maximum amount of American fruit is in export. He permits a little of it to come into France in January and February. Then he says to our State Department, "After all, I offered to let in your fruit." But he lets it in at a time when we do not have a great amount to send, and also when the purchasing market is almost finished.

What we are asking for is not an act of exclusion, but a balancing by way of a quota system which will maintain American agriculture in fair competition with the foreign producer. I say to my good friend from New York, in his concern for the workers of the country and the high purchasing power which is theirs, that if we permit the agricultural economy to assume the unfair burden of foreign trade discrimination, and if the purchasing power of American agriculture goes down, it will not be long before the purchasing power of the workers will suffer, as a result of the unemployment that will be produced thereby. And if American cattlemen go out of business on a large scale, he will find that steak is no longer within the purchasing power of the working man.

It is a great mistake for eastern Senators, every time we seek to give equitable protection to the American farmer, to raise the hue and cry that the protection which we seek will be a great disadvantage to the workers and other consumers.

When we look at the price structure, we do not find that it is the price to the farmer that is maintaining the high price of the choice cuts in the butcher shops of America. This has been proved over and over again. There has been a great slump in the cattle depression of recent days. So far as price is concerned, we can ask any housewife how much of a slump there has been in the butcher shop.

I congratulate the President on his appointment of a Council to make an investigation into the expenditure of the consumer dollar, to see why, for example, in this field and in many other fields the housewife has not had the advantage of the drop in prices that she gets in connection with some other commodities.

The price at the supermarket goes up when meat is in short supply, but it does not come down when meat is plentiful. Only the price the producer receives comes down.

I would have the Senator from New York and others take note of the fact that involved in this whole picture is the competition that the American worker has, not only with the farm producer, but also the American producer abroad.

The flight of capital is a serious matter, and the flight of American industry is a serious matter.

We have not only built with American taxpayer dollars since the end of World War II the greatest steel mills in the world abroad, the greatest chemical mills in the world abroad, the greatest plastic plant in the world abroad—I could go down in that list—but the American taxpayer, through a foreign aid program, much of which in Europe was a grant program and not even a loan program, has built up great industrial enterprises which are now in competition with the American worker, with the American housewife and, yes, with the American industrialist.

All we are seeking to put into this picture is some reasonable checks by way of fair regulations that will produce fair competition.

Some of my good friends in the Senate, particularly from the East, seem to think that it is some kind of economic sin for us to suggest it to the Senate. Unless we do it, we shall do irreparable damage to our economy. We shall do irreparable damage to an entire segment of our population. In regard to finished industrial products, as well as in regard to agricultural products, we now have a duty, as I said in my speech on the floor of the Senate some 2 weeks ago, to start putting the economic interest of the American people first.

I am not at all moved by the old argument of proved sophistry by the Secretary of State and his top ambassador, Mr. Herter, selling short the economic interests of the American people through the foreign trade conferences at Geneva.

I am not at all impressed by the argument that we must put the foreign trade interests of this country first. We not only have put them first every time, but we have surrendered the best economic interests of the American consumers and producers. I believe we are laying the foundation for irreparable damage to the production of protein, fat, and fiber in the year 2000, if we do not stop this discrimination, and unfair discrimination in this instance against this fine American agricultural industry, and also American fruit, American poultry, and other segments of American agriculture, as well as the lumber industry and in the whole field of textile products that are produced here.

The bill passed by the Senate was a good warning to the administration that the time had come to put on the brakes. Let the diplomats howl. I do not know why we become so concerned when diplomats, who have but one purpose in mind in international trade conferences, howl. Their only purpose is to take advantage of Uncle Sam so long as he is willing to play the part of an economic sucker. In my judgment, the program of the State Department has been based upon a series of fallacies it has sold to Congress for a

long time. One reason why it lost me in connection with the foreign aid bill is that the bill is honeycombed with such fallacies.

I close by giving a message to the American workers. I yield to no one in my record in the Senate of seeking to protect the legitimate rights of American workers. Do not cry on my shoulder about the possibilities that sausage or hamburger might be a few cents cheaper if imports are increased. They may not be; but the price for other grades of meat could go much higher if these imports continue to increase.

I would have American workers keep in mind that they are living in an integrated economy. This is not a labor economy, set off to one side, in which labor is entitled to special privileges and advantages in relationship to a so-called labor economy. We must maintain an integrated economy. When steps are taken necessarily to protect American agriculture by giving it a fair break in competition, we are protecting American labor because we are protecting the economy.

When we ask for a fair competitive break for American textiles or American lumber or other finished products that are manufactured in this country, we are protecting not only American labor, but the American farmer, too.

Very often I receive pressure from the American farmer who wants to get a consumer advantage at the expense of the workers in steel mills, textile mills, glass factories, and other industrial establishments in this country. We must maintain ourselves in a position as Senators to tell off both groups and all groups, when they seek economic advantage at the expense of an integrated economy. That is the basic issue involved in this situation.

Therefore, I disagree with the Senator from New York [Mr. JAVITS]. In the best interests of the workers of New York City and other metropolitan areas, the Senator from New York ought to be joining us in seeking to protect the production of meat in this country at a fair competitive level, whatever that level is found on the facts to be. That is why I have found myself supporting beef quotas. I have grave doubt as to whether the conference report will be of as much help to the American beef producer as the senders of telegrams I have received today from some of the cattlemen of my State would seem to indicate. They have urged me to vote for the conference report. I read their telegrams and reached the conclusion that they, too, believe, for whatever it is worth, the conference report is the best we could get and that we had better take it rather than nothing.

Mr. AIKEN. Mr. President, I have listened with interest to the discussion that has taken place on the conference report and have come to the conclusion that 1964 will be known as the year of the consumer.

First, we started with a tax reduction. That was to provide the consumer with more spending money than he had ever dreamed of having. But it happened that on the day the tax reduction bill

was signed, rents were increased in many places. Since then, other prices have gone up. Hospital costs, health costs, and costs of other kinds have risen.

So when the consumer finds out next spring what she has saved in taxes, she will also find that for every dollar of tax reduction, she received an increase of \$5 in inflationary prices.

Last spring there was a cotton-wheat bill, so called. Some called it the trade-and-raid bill. It was to have given the farmer a nice big price for his wheat and was to have reduced the price of bread and cotton goods to the consumer.

Mr. KEATING. Was that the bill that was to have imposed a bread tax?

Mr. AIKEN. I am coming to that.

At the present time, the price of flour is 70 cents a hundred pounds more than it was when the bill was passed. The price of bread has gone up "only" about 2 cents a loaf, for some particular reason. But the price of wheat has gone down 55 cents a bushel to the farmer. So the consumer and the farmer really "made it" on that bill.

And that part of the bill which provides a subsidy of 8½ cents a pound to the domestic cotton mills so that the price of shirts and other goods would come down to the consumer, what has happened to that? The situation as I understand it is that the cotton textile mills are going to pick up from the Public Treasury some \$300 million to \$400 million this year but as for the price of shirts, if we look through the reports of the Department of Agriculture, we shall find that cotton goods instead of coming down have risen slightly.

Now we have the beef problem. The price of beef dropped "only" about 25 percent on the hoof to the farmer. But, Mr. President, have you bought any steaks in a restaurant lately, or even in the market? Have you noticed a reduction in the price? Is your tip to the waiter smaller than it used to be because of the reduced price of beef? Where has the saving gone?

If the consumers "had it made," or something, this year, come next spring, when they get the bill for additional taxes and increased costs for most everything, they will find out too late what has really happened to them.

Mr. HRUSKA. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. HRUSKA. Is the Senator forgetting the great break given to coffee drinkers in the last 6 or 8 months as the result of the coffee agreement.

Mr. AIKEN. In the last 6 months the price of coffee has not gone up too much although it did rise substantially last fall. I must say that the price of coffee wholesale has gone down about a cent a pound since we thought we had implemented the coffee agreement.

Mr. CARLSON. Mr. President, I do not wish to get into the controversy with the distinguished Senator from New York and other Senators in regard to the issue between the American cattlemen and the consumers of the Nation. However, I cannot resist mentioning at this time that the same fine Senators who are battling for consumers this afternoon should

have been with me last week when I tried to save the consumers \$600 million on the coffee agreement, which this afternoon, by a rollcall vote, has been defeated in the House of Representatives. It will be coming back to the Senate. I hope those Senators will be with me on that particular occasion.

Mr. President, I have had the honor to serve on many conference committees of the House and Senate. This was one of the finest conferences on which I ever served. I give great credit to our chairman, the distinguished Senator from Virginia [Mr. BYRD]. There were 4 days of meetings; and had he not stood stalwart as he did in favor of the Senate bill, we would have returned today with a much milder bill than we have.

I, too, could be critical of the bill; but I think we have gone a long way. I strongly commend other Senate members of the conference—the distinguished Senator from Florida [Mr. SMATHERS], the distinguished Senator from Louisiana [Mr. LONG], and the distinguished Senator from Delaware [Mr. WILLIAMS].

I appreciate also the fine spirit of cooperation which we received from the House conferees. They, too, are entitled to credit, especially CHAIRMAN MILLS. Also, I commend the staffs of our own committee and of the House committee. I can honestly say that the conference was one that I enjoyed.

I appreciate the work that was done by all members of the committee and of the staff. It was done with great sincerity and for the very definite interest of both the consumer and the producer. They are both mentioned in the bill.

I shall not take the time to discuss the report in detail, but I am proud of the report. It should be adopted.

Mr. MANSFIELD. Mr. President, I extend my congratulations to the distinguished Senator from Kansas for the part that he, along with the senior Senator from Virginia [Mr. BYRD], the junior Senator from Florida [Mr. SMATHERS], the junior Senator from Louisiana [Mr. LONG], and the senior Senator from Delaware [Mr. WILLIAMS] played in bringing this change about. I know that the Senate conferees acted in their usual diligent way, as they did for the passage of the bill by this body.

I can only say that the Senate as a whole is deeply grateful to the conferees for the fine work they did to get the best possible arrangement out of a complex and complicated piece of legislation.

Mr. CARLSON. I do not wish to let this opportunity pass without saying that we are all indebted to the distinguished majority leader, who took an active part in the original enactment of the bill and the presentation of the committee. I assure the Senator that he was as considerate as we were in conference on the bill.

Mr. KEATING. Mr. President, I am going to speak up once again on behalf of the people in modest circumstances who will have to pay more for hamburger and frankfurters as a result of the quotas imposed by this ill-advised measure.

I am under no misapprehensions about the climate in the Senate. I real-

ize that, despite the longrun effect of this restrictive legislation and the total lack of economic justification therefor, the Senate is intent on approving the conference report.

Frankly, I concede that the conference report, so far as the meat part of it is concerned, is an improvement over the bill which we enacted originally. It still disregards the interests of the consumer and is detrimental to the expansion of U.S. trade. For the consumer, and I shall not reiterate the soundness of the economic arguments against the proposal, the results will be similar to the agricultural bill we passed, which has already run up the price of bread. Many Senators warned at the time that the price of bread was bound to go up. Of course it was. It was simple arithmetic. We were ridiculed at the time for saying that, but the price of bread has gone up.

So, too, the price of processed meats—not the fine cuts of beef—but hamburgers and frankfurters that more people eat, will be increased by the adoption of the conference report. I urge every Senator to take one last long look and turn down this conference report.

Mr. President, I should like to say a word about the importation of birds which has been made part of the conference report. As the Chair will remember, this bill has a rather unusual history. It was a bird bill, when it passed the House. The Senate tacked on a meat title to it and adopted my amendment to knock out the provision for the free importation of wild animals and wild birds. Now the conference has placed the birds and animals back in.

I believe that we can live with the bird and animal part of the bill because of the changes which have been made. I commend the distinguished Senator from Florida for the extent to which he has gone—if I understand him correctly—in sustaining the Senate position with regard to the wild birds and animals.

There are one or two questions I should like to ask the Senator from Florida, for the purpose of legislative history, with reference to the original sections of the bill dealing with the wild birds and animals which are imported.

Do I understand correctly that in fact the only change in existing law is the addition of the words "or for sale for use?"

Mr. SMATHERS. The Senator is correct. That is the effect of the amendment.

Mr. KEATING. This, I understand, permits not only zoos but also importers who are importing a specific animal or bird for a zoo to have it admitted duty free?

Mr. SMATHERS. The Senator is correct.

Mr. KEATING. As I understand it, the tariff classifications describe the scientific and educational purposes as meaning "not for sale for profit but for zoological type exhibition." Is that the Senators' understanding?

Mr. SMATHERS. The Senator is correct. That was the understanding of the conference committee.

Mr. KEATING. Would it be permissible, under the language, to import animals or birds for commercial displays, or so-called roadside shows, or for sale in pet shops?

Mr. SMATHERS. No, it would not be permissible, under this language and the chairman of the committee made that point clear in his statement.

Mr. KEATING. That was, of course, the point that many interested individuals and qualified conservation organizations wanted to make clear.

Now, it is clear that there is no basic change in the concept that duty free admission is permissible only where animals are going to municipal or similar type zoos, or educational or scientific institutions; but under the new language an importer can claim this status if a creature is being imported and is destined to reach such an institution. The importer presumably would post bond on the duty and would be forced to pay the duty unless the purchaser came under that category.

Mr. SMATHERS. The Senator is correct. In order to make that a little more accurate, let me state that under the present tariff structure a tariff classification controlled by actual use to which an imported article is put is satisfied only if: first, such use is intended at the time of importation; second, the article is so used; and third, proof thereof is furnished within 3 years after the date the article is entered.

Mr. KEATING. I thank the Senator and again express my gratitude to him and to the conference committee for the fine protection which they gave to the birds, reptiles, and wild animals that may be brought into this country and might otherwise be cruelly treated. There have been many conservation groups who were greatly exercised about this matter.

I still am opposed to the conference report because I cannot bring myself to support the meat provisions of the bill; but at least, if we have not flown off course on the meat part, we have spared the birds and the animals.

(At this point Mr. McGovern took the chair as Presiding Officer.)

Mr. MILLER. Mr. President, I shall not oppose the conference report to the extent of voting against it, but I should

like to make it clear that I do not believe the conference report measures up to what it should. It does not measure up anywhere near to what the amendment of the Senate to the main bill provided for.

I wish to thank the Senator from Florida for responding to my previous questions regarding the comparison between imports provided for under the quota system contained in the amendment to the bill, and the basic imports provided for under the conference agreement.

The distinguished Senator from Florida pointed out that they were the same, but he also pointed out that there were some differences, in that the conference report permits the growth of formulas, and also provides for 110 percent of the amount, before the President may proclaim any quotas.

I have prepared a schedule which shows that for 1963 the imports of beef, veal, and mutton amounted to 1,049 million pounds.

If we use the formula provided in the conference report, the amount of imports for 1965 will total 929,600,000 pounds before any proclamation of quotas would go into effect.

I believe it should be pointed out that no quotas are provided for whatsoever for the year 1964. It should also be pointed out that no quotas are provided for with respect to canned, cured, and cooked items. These comprise a substantial amount of our imports, although they are not nearly as important as the fresh, chilled, and frozen items. But the fact remains that here is an area which exporting countries to the United States can substantially increase if they find that they are impeded at all by any quotas set forth under the conference report.

I believe it ought to be pointed out that since 1958, and particularly since 1960, there has been a great increase in imports of meat. The conference report relates to beef, veal, and mutton. I have figures received from the Department of Agriculture relating only to beef and veal. These figures also include canned, cured, and cooked items. It is noticeable that in 1960, there were 512,605,000 pounds of imports of these items which, as I said, include canned, cured, and cooked items.

Under the formula of the conference report, we can go up to 929,600,000 pounds of items without including canned, cured, and cooked items. I grant that mutton is included.

I ask unanimous consent that the chart showing the country of origin and the amount of imports from that country for each year from 1958 to 1963 may be printed at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Beef and veal—U.S. imports, product weight basis, by country of origin, 1958–63

[In thousands of pounds]

Country	1958	1959	1960	1961	1962	1963	Country	1958	1959	1960	1961	1962	1963
Australia.....	17,715	224,034	144,684	233,878	441,719	517,346	Paraguay.....	14,385	14,098	9,988	10,081	8,167	12,283
New Zealand.....	183,672	161,617	130,723	154,447	213,594	235,690	Brazil.....	13,619	36,007	9,023	16,303	17,206	10,922
Argentina.....	216,723	128,573	52,650	65,248	55,912	87,431	Honduras.....	409	1,509	3,391	5,542	9,324	9,336
Ireland.....	23,775	41,984	52,793	64,449	70,725	72,997	Denmark.....	2,472	3,428	4,536	6,489	7,680	6,146
Mexico.....	75,032	48,939	39,116	53,384	59,290	72,968	United Kingdom.....	20	1,708	2,119	1,317	6,900	3,978
Nicaragua.....	40	5,768	10,127	14,577	15,795	24,504	Haiti.....				402	2,765	2,732
Canada.....	53,616	22,564	18,884	32,321	19,361	17,226	Dominican Republic.....	4,143	5,369	5,494	3,829	739	13
Uruguay.....	9,548	12,945	10,753	14,781	16,126	16,054	Others.....	1,248	3,965	2,989	1,878	1,833	3,352
Costa Rica.....	2,806	9,840	15,335	8,719	8,111	15,162	Total.....	619,223	722,348	512,605	689,572	967,515	1,122,913
Guatemala.....				1,927	12,268	14,773							

Source: Livestock and Meat Products Division, Foreign Agricultural Service, U.S. Department of Agriculture.

Mr. MILLER. Mr. President, something was said about Australia. I venture to say that under the formula in the conference report, Australia will not be impeded very much. And if per chance it is, I do not think Australia should be heard to complain very much. That country well knows what a problem we have had. It well knows, as the figures in the chart which I have placed in the RECORD show, that it has more than doubled its exports to the United States in the past 3½ or 4 years, while our own domestic producers were increasing their production only about 10 percent.

Even for this year, compared to 1963, Australia has increased its exports to us of beef and veal. I have a table which is based upon figures received from the Department of Agriculture and other agencies which shows that through June of this year, Australia is running ahead of last year in its exports of these items to us.

I ask unanimous consent that the table with the figures through June be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Australia—Imports, beef and veal
[Product weight]

	1963	1964	1964 over 1963 increase or decrease	Increase or decrease
	Pounds	Pounds	Pounds	Percent
January.....	20,726,000	45,620,000	+24,894,000	+120.1
February.....	52,063,000	14,904,000	-37,159,000	-71.3
March.....	32,596,000	34,641,000	+2,045,000	+5.9
April.....	27,296,000	29,044,000	+1,748,000	+6.4
May.....	31,475,000	19,855,000	-11,620,000	-36.9
June.....	36,383,000	62,781,000	+26,398,000	+72.6

Source: U.S. Department of Agriculture.

Mr. MILLER. Mr. President, with this as a background, I comment on the remarks made by the distinguished senior Senator from New York [Mr. JAVITS] indicating that he was very much opposed to the conference report.

If the conference report were tighter, if it were as tight, for example, as the amendment passed by the Senate, I might be able to understand his position. But with the conference report in its present form, with the opportunity for making determinations regarding what are reasonable prices to the consumers, and what are overriding economic interests of the United States—and the Senator from Oregon and others have pointed out how these might be

interpreted—I do not believe that the senior Senator from New York should be too discouraged. I suggest that he ought to be a little more realistic in evaluating the depressed situation in the livestock industry.

As the senior Senator from Oregon has well pointed out, the workers in New York will not have good jobs if, indeed, they will have jobs, if we do not have a healthy basic agriculture; and livestock is a very big part of agriculture.

When the national net income from farming dropped 3 percent last year—7 percent in my own State of Iowa—and when farm parity has dropped from 81 in 1960 to approximately 74 today, this cannot happen without being reflected in the jobs that workers in New York and other metropolitan areas would like to have. I do not believe we ought to be too provincial about something like this.

With regard to the export business that the United States has, and the export balance that we have, the senior Senator from New York [Mr. JAVITS] well knows that our negotiators at GATT are not asking to have a share of our market which is double what it was in 1960. That is not our position at all. Our position with respect to these imports is that we do not want those countries to double their exports to us in a matter of 3 or 3½ years.

We are interested in giving them a fair share of our market and giving them a part of the growth of our market. And this is all we are asking for before the nations engaged in the GATT negotiations, and before the Common Market. So the two situations are not at all the same. We have not tried to take over an excessive share of the Common Market for our products. But we have requested that we be allowed to maintain the level that we had back in 1960 or 1961. And all we are asking Australia and some of the other countries to do with respect to their exports to us is to keep their level at about the 1960–61 position, instead of doubling it, and then saying, “We want to hold at that point.”

I do not believe that legislation like this will result in any retaliation. The retaliation, if it would come, would be poorly founded.

Mr. President, in conclusion, I ask unanimous consent that a table showing the comparison between the effects of the conference report and the effects of the Senate amendment which has now been pretty well cut down, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Effects of conference report on H.R. 1839
Pounds

Imports of beef and veal and mutton for 1963 ¹	1,049,000,000
For 1965 this would be reduced to.....	929,600,000

Under the formula of the conference report:

Basic formula.....	725,400,000
Plus 16 percent growth factor equals.....	845,100,000
This may increase to 110 percent before action by the President, or---	929,600,000

¹ Does not include canned, cured, or cooked.

The foregoing should be evaluated in comparison with the quotas provided for under the amendment by the Senate to H.R. 1839 on the basis of which the conference between the Senate and House was called:

	Pounds
Basic quotas for fresh, chilled, or frozen cattle meat per quarter.....	168,500,000
Basic quotas for mutton per quarter.....	12,850,000
Total.....	181,350,000
Multiplied by 4 (number of quarters) to obtain yearly quota.....	725,400,000

Mr. DOUGLAS. Mr. President, I was opposed to this bill when it was originally before the Senate. I oppose the conference report.

I opposed the original bill, in part, because the decline in meat prices has not been as sharp or as precipitous as the advocates stated. There was a decline of 25 percent in the price up to March. But there has been recovery since then.

Australia and New Zealand imports are primarily in the lower grades of meat, which are used for hamburgers. Therefore, the shutting off or diminution in the meat coming from Australia and New Zealand will not appreciably affect the price of the better cuts which are produced in the United States. It will increase the price of hamburger which primarily is the food of people with low incomes and the youngsters.

To the degree that there has been a fall in price, the decline has not been appreciably due to imports but it has been largely due to the favorable consideration which the cattle industry gets under the tax laws. These preferential provisions provide that income in that industry shall be taxed as capital gains, and therefore at only one-half the rate

at which ordinary income is taxed. This preferential treatment is augmented by very valuable depreciation allowances. Together, these tax loopholes rig the tax laws in favor of the cattlemen and cause investments in the cattle industry, largely coming from oil interests, which are not justified on economic grounds.

Finally, so far as prices are concerned, the fall in prices has also been due to the ordinary cyclical movements of prices in the cattle industry, augmented by the favorable, and improperly favorable, tax treatment. This bill will directly hurt the consumers and I think it will very directly hurt our foreign relations.

Senators may have noticed the article in yesterday morning's New York Times which gave an account of the letter which the President has apparently received from the Prime Minister of Australia, Mr. Menzies. Mr. Menzies threatened exactly what I said Australia and New Zealand would do. I predicted that if we passed the meat import bill, Australia and New Zealand, in self-defense, would be compelled to adopt reprisals. The Menzies letter stated that that is precisely what they would do.

I named the commodities on which Australia and New Zealand probably would impose quotas or higher tariffs—including soybeans, and farm machinery, and earth moving machinery, which are produced in my State. They may restrict imports from us in a whole series of American commodities. Interestingly enough, as the article in the Times noted, the commodities which Mr. Menzies singled out for retaliatory treatment precisely equal the total volume of our exports to Australia. So it is perfectly clear what Mr. Menzies was talking about.

Mr. President, Australia and New Zealand are two of the best allies that we have in the world. We need them in the Southwest Pacific. Australians and New Zealanders are some of the best soldiers in the world, and among the bravest people in the world. I had the privilege of serving alongside Australian troops; and while they had a law which prevented them from going north of a certain degree of latitude in the area in which they could operate, they were model soldiers.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Australia Warns United States on Beef Curb," by Edwin L. Dale, Jr., published in the New York Times on Monday, August 17.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AUSTRALIA WARNS U.S. ON BEEF CURB—THREATENS SHARP RETALIATION IF IMPORTS ARE CUT—VETO CONSIDERED BY JOHNSON
(By Edwin L. Dale, Jr.)

WASHINGTON, August 16.—Sir Robert Menzies, Prime Minister of Australia has strongly implied in a letter to President Johnson that Australia would cut off imports from the United States of six major products if a bill restricting beef imports to this country becomes law.

In a private letter to the President delivered late last week, Sir Robert said, "I should tell you directly and quite frankly the seriousness with which I view this matter before you decide whether or not the

proposed legislation ought to be put into effect."

The substance of Sir Robert's letter became known today. In it he noted that the loss to Australia from the bill cleared by the Senate would be "the equivalent" of the loss to this country if Australia cut off imports of American tobacco, cigarettes, cotton, tractors, harvesting machines, and aircraft.

The bill is now in conference between the House and Senate. So far the conferees have been unable to reach agreement.

A VETO IS POSSIBLE

The administration hopes to induce them to approve legislation that would give the President some discretion as to when and whether import quotas would be imposed.

Failing an acceptable conference agreement, the administration will try to defeat the conference version on the floor of the House.

If that, too, fails, there is a strong likelihood of a Presidential veto, though Mr. Johnson hopes to avoid having to veto the bill, especially in an election year. Strong pressure for the quotas has been applied to cattle raisers and feeders, the latter predominantly in the Midwest.

U.S. exports of these products to Australia last year totaled \$68 million, the largest items being raw tobacco, airplanes, and tractors.

The fact that Sir Robert specified individual products, and that the dollar volume involved was almost the exact equivalent of the prospective loss of Australian beef imports, was taken here as a clear threat of Australian retaliation.

Under the rules of the General Agreement on Tariffs and Trade, Australia would have the right to retaliate if the United States reduced her beef exports.

Sir Robert pointed out in his letter that Australia had agreed earlier this year, at the request of the United States, to put a voluntary ceiling on her beef exports. This agreement between the two countries "would of course be voided" by the beef legislation, he said.

In addition, Sir Robert said, the beef legislation would have "the most serious implications for the entire Kennedy round negotiations." These are the global negotiations in Geneva aimed at a sweeping reduction of tariffs.

STRESSES FRIENDLY TIES

"I cannot see," Sir Robert wrote, "how the United States could exert effective leadership and expect success in her effort to contain and reduce restrictions on agricultural trade if she herself imposed restrictive action against imports of beef."

Sir Robert stressed several times the friendly relations between the United States and Australia. But he said he wanted to be frank because of the grave implications of the beef legislation.

Australia is the main supplier of imported beef nearly all of which goes into hamburger and other processed beef products. The beef bill as it was passed by the Senate would cut import from Australia by about 40 percent from last year's level.

Sir Robert noted that Australian balance-of-payments deficit with the United States was about \$500 million a year. Of this, about \$125 million is accounted for by trade, with U.S. exports to Australia exceeding imports by that amount.

Mr. DOUGLAS. Mr. President, in the conferences with the Common Market we are trying to get other countries to reduce their tariffs to make it more easily possible for us to export wheat and other farm products to the continent of Europe. That is going to be very difficult for us to demand at the same time that

we are imposing restrictions upon the importation of meat.

It was a sad day when we passed that bill. Only 19 Senators voted against it. It was passed overwhelmingly. Many Senators voted for it with the expectation that the House would defeat it and that they could therefore be registered as voting for it and the country would not have to pay for their actions. But the cattlemen were busy in the House as they have been busy in the Senate; and the House passed restrictions, too.

Finally, the report of the conference committee is not quite as bad as was the Senate bill. The restrictions are less severe. The President would be given more discretionary power. But it was not a very good service to the President to dump the problem in his lap. I cannot think of anything that could be more embarrassing to the President than to be given these hot coals, so to speak, to handle. The final results are likely to be very bad.

I shall vote against the conference report, as I voted against the original bill.

Unless there are other Senators who wish to speak on the subject, I should like to suggest the absence of a quorum. If there are others who wish to speak, I shall withhold the request.

COFFEE AGREEMENT

Mr. DOUGLAS. Mr. President, before a quorum is called, I should also like to say "I told you so" on coffee. One of the most ungracious acts in the world is to remind people of one's being right. It is generally very ungracious and a general mark of impoliteness to do so. I have done this on meat and I am now compelled to say that I am delighted that the House has turned down the coffee agreement because their action will protect the general consumer.

If no other Senator wishes to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

Mr. JAVITS. Mr. President, reserving the right to object, I wish the RECORD to show that I voted "nay" on the meat conference report.

CLOSING OF THE ROLL OF THE CONFEDERATED TRIBES OF THE COLVILLE INDIAN RESERVATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 1380.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1442) to provide for the closing of the roll of the Confederated Tribes of the Colville Indian Reservation preparatory

to the submission of legislation for the termination of Federal supervision over the property and affairs of the Confederated Tribes.

THE PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That the following sections of this Act shall become effective on the date a majority of the members of the tribes approve a termination of Federal supervision in accordance with those sections. The Secretary of the Interior shall conduct a referendum to ascertain the wishes of the members within ninety days after the enactment of this Act in accordance with such rules and regulations as he may prescribe.

SEC. 2. The purpose of this Act is to provide for the termination of Federal supervision over the trust and restricted property of the Confederated Tribes of the Colville Indian Reservation, Washington, and of the individual members thereof, for the disposition of federally owned property acquired or withdrawn for the administration of the affairs of said Indians, and for a termination of Federal services furnished such Indians because of their status as Indians.

SEC. 3. For the purposes of this Act:

(a) "Tribes" means the Confederated Tribes of the Colville Indian Reservation, Washington.

(b) "Secretary" means the Secretary of the Interior.

(c) "Lands" means real property, interests therein, or improvements thereon, and includes water rights.

(d) "Tribal property" means any real or personal property, including water rights, or any interest in real or personal property, that belongs to the tribes and either is held by the United States in trust for the tribes or is subject to a restriction against alienation imposed by the United States.

(e) "Adult" means a member of the tribes who is an adult according to the law of the place of his residence.

SEC. 4. At midnight of the date this section becomes effective the roll of the tribes shall be closed and no child born thereafter shall be eligible for enrollment: *Provided*, That the tribes shall have a period of six months from the date this section becomes effective in which to prepare and submit to the Secretary a proposed roll of the members of the tribes living on the date this section becomes effective, which shall be published in the Federal Register. If the tribes fail to submit such roll within the time specified in this section, the Secretary shall prepare a proposed roll for the tribes which shall be published in the Federal Register. Any person claiming membership rights in the tribes or an interest in the assets of the tribes, or a representative of the Secretary on behalf of any such person, may, within ninety days from the date of publication of the proposed roll, file an appeal with the Secretary contesting the inclusion or omission of the name of any person on or from such roll. The Secretary shall review such appeals and his decisions thereon shall be final and conclusive. After disposition of all such appeals, the roll of the tribes shall be published in the Federal Register, and such roll shall be final for the purposes of this Act.

SEC. 5. Upon publication in the Federal Register of the final roll as provided in section 4 of this Act, the beneficial interest in tribal property of each person whose name appears on the roll shall constitute personal property which may be inherited or be-

queathed, but shall not otherwise be subject to alienation or encumbrance before the transfer of title to such tribal property as provided in section 7 of this Act without the approval of the Secretary. Any contract made in violation of this section shall be null and void. Property which this section makes subject to inheritance or bequest and which is inherited or bequeathed after the effective date of this section and prior to the transfer of title to tribal property as provided in section 7 of this Act shall not be subject to State or Federal inheritance, estate, legacy, or succession taxes.

SEC. 6. The Secretary shall—

(a) within sixty days after this section becomes effective institute a program, to be completed within one year, to bring up to date all land and ownership records pertaining to lands on the Colville Indian Reservation; and immediately following completion of such program, jointly with the Secretary of Agriculture, determine what parts of the tribal lands are valuable chiefly for timber purposes, what parts are valuable chiefly for farming, what parts are valuable chiefly for grazing, and what parts are valuable chiefly for other purposes; and divide each such part into appropriate units for sale or management in accordance with the provisions of this Act;

(b) cause separate appraisals to be made by three qualified independent appraisers of the units designated under subsection (a) for the purpose of ascertaining the fair market value of each such unit. The fair market value of the timber assets shall be defined to be the market price that would be realized if the sale of the timber assets were made over a period of ten years. The Secretary shall determine fair market value by averaging the three appraisals;

(c) determine the value of tribal mineral rights (including oil and gas) in each unit;

(d) determine the value to the tribes of the tribal hunting and fishing rights on each unit appraised, to the extent such value is not included in the appraisal;

(e) cause reports of said appraisal and determinations of values to be delivered to all adult enrolled members of the tribes and within sixty days thereafter give to each member whose name appears on the final roll of the tribes an opportunity to elect to withdraw from the tribes and have his beneficial interest in tribal property recognized by section 5 converted into money and paid to him, or to remain in the tribes and participate in the tribal management plan to be prepared pursuant to subsection (g) of this section; in the case of members who are minors, persons declared incompetent by judicial proceedings, or deceased, the opportunity to make such election on their behalf shall be given to the person designated by the Secretary as the person best able to represent the interests of such member: *Provided*, That any member, or any heir or any devisee of any deceased member, for whom the Secretary has so designated a representative may (on his own behalf, through his natural guardian, or next friend) within one hundred and twenty days after receipt of written notice of such secretarial designation, contest the secretarial designation in any naturalization court for the area in which such member resides, by filing of a petition therein requesting designation of a named person other than the secretarial designee, and the burden shall thereupon devolve upon the Secretary to show cause why the member-designated representative should not represent the interests of such member, and the decision of such court shall be final and conclusive;

(f) select the portion of the tribal property which if sold at the appraised value would provide sufficient funds to pay the members who elect to withdraw from the tribes for their beneficial interest in the total tribal property, sell the property so

selected, and pay the proceeds of the sale to the withdrawing members: *Provided*, That any tribal forest lands that are offered for sale shall be purchased by the Secretary of Agriculture with funds that are hereby authorized to be appropriated, and such lands shall become national forest lands subject to the laws that are applicable to lands acquired pursuant to the Act of March 1, 1911 (36 Stat. 961), as amended: *Provided further*, That any person whose name appears on the final roll of the tribes, or a guardian on behalf of any such person who is a minor or an incompetent, shall have the right to purchase, for his or its own account but not as an agent for others, any other property in lots as offered for sale for not less than the highest offer received by competitive bid; any individual Indian purchaser who has elected to withdraw from the tribes may apply toward the purchase price up to 100 per centum of the amount estimated by the Secretary to be due him from the sale of his interest in tribal property; and if more than one right is exercised to purchase the same property pursuant to this proviso the property shall be sold to one of such persons on the basis of competitive bids;

(g) cause a plan to be prepared in form and content satisfactory to the members who elect to remain in the tribes and to the Secretary for the management of tribal property through a trustee, corporation, or other legal entity. If no plan that is satisfactory both to the members who elect to remain in the tribes and to the Secretary has been prepared six months before the time limit provided in subsection (b) of section 7 of this Act the Secretary shall adopt a plan for managing the tribal property, subject to the provisions of section 15 of this Act.

SEC. 7. (a) The Secretary is authorized and directed to execute any conveyancing instrument that is necessary or appropriate to convey title to tribal property to be sold in accordance with the provisions of section 6 of this Act, and to transfer title to all other tribal property to a trustee, corporation, or other legal entity in accordance with the plan prepared pursuant to subsection (g) of section 6 of this Act: *Provided*, That at any time prior to a transfer of such other tribal property to a trustee, corporation, or other legal entity, the Secretary may, upon request of a majority of the members who elected to remain in the tribes, sell such other tribal property and distribute the proceeds of sale among the members if he determines that such action is the more feasible and practical course to follow.

(b) It is the intention of the Congress that all of the actions required by sections 6 and 7 of this Act shall be completed at the earliest practicable time and in no event later than four years from the date this section becomes effective.

(c) Members of the tribes who receive the money value of their interests in tribal property shall thereupon cease to be members of the tribes: *Provided*, That nothing shall prevent them from sharing in the proceeds of tribal claims against the United States.

SEC. 8. No funds distributed pursuant to section 6 of this Act to members who withdraw from the tribes shall be paid to any person as compensation for services pertaining to the enactment of this Act or amendments thereto and any person making or receiving such payments shall be guilty of a misdemeanor and shall be imprisoned for not more than six months and fined an amount equal to the payment received by him plus not more than \$500.

SEC. 9. (a) The Secretary is authorized and directed to transfer within four years from the date this section becomes effective to each member of the tribes unrestricted control of funds or other personal property

Page 1, line 3, through page 2, line 8, strike out all of section 1.

Page 2, line 9, strike out "SEC. 2. The" and insert "That the".

Page 2, line 12, after "United States" insert "except as otherwise provided by section 3 of this Act".

Page 2, line 13, strike out "section 3" and insert "section 2".

Page 3, line 7, strike out all of the line and insert: "SEC. 2. The real property referred to in section 1 of".

Page 3, strike out all of lines 11, 12, and 13 and insert:

"Section 24: Lots 1 and 2, the west half of the northeast quarter; and the southeast quarter of the northwest quarter, being a total of approximately 202.76 acres."

Page 3, after line 13, add a new section to read as follows:

"SEC. 3. Any patent issued under this Act shall contain a reservation to the United States of any of the following named minerals for which the land as of the date of issuance of patent is deemed by the Secretary of the Interior to be valuable or prospectively valuable: coal, native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried), oil, gas, oil shale, phosphate, sodium, and potassium, together with the right of the United States, its lessees, permittees, or licensees to prospect for, mine, and remove them under applicable provisions of law."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

WILD ANIMALS—MEAT IMPORTS

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 17, 1964.)

Mr. MILLS (interrupting the reading of the statement). Mr. Speaker, in view of the fact that we shall take such time as is required to explain the conference report, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

(Mr. MILLS asked and was given permission to revise and extend his remarks.)

Mr. MILLS. Mr. Speaker, it will be recalled that H.R. 1839, as unanimously passed by the House on February 26, 1963, provided for the free importation of wild animals and wild birds which are intended for exhibition in the United States. A similar measure had been passed by the House in the 87th Congress, but received no consideration in the other body and died at adjournment of that Congress.

The other body passed H.R. 1839 on July 28, 1964, with amendments, the first of which was adopted in the Senate Committee on Finance and added to the bill provisions that would impose import quotas on certain meat and meat products. The second amendment, which was adopted on the floor of the other body, struck from the measure the provisions relating to the free importation of wild animals and wild birds, which was the substance of the House-passed bill.

Mr. Speaker, it will also be recalled that 1 week ago today, the House adopted a resolution disagreeing with the amendments of the other body and requesting a conference. At that time grave concern was expressed by many Members of the House, including the gentleman from Mississippi [Mr. COLMER], who called up the resolution at the direction of the Committee on Rules, that the amendments of the other body relating to meat imports were a nullity.

This question arose from the section of the bill which suspended the operation of the quotas during a period of national emergency. Since we are at present still in the period of national emergency declared by President Truman at the time of the Korean war, many Members of the House who were both learned in the law and very desirous of helping the domestic meat industry, expressed the opinion that this provision would completely nullify the measure as approved by the other body. In other words, it was believed that the bill, by its own terms, would prevent the meat import quotas from going into effect because of the presently existing period of national emergency.

I might add, Mr. Speaker, that there was also indicated in the debate on Tuesday last on the resolution to send H.R. 1839 to conference, some displeasure on the part of Members with regard to the procedures utilized by the other body with respect to this measure. Here again was presented a situation in which the subject matter of the House-passed bill; that is, the dutiability of certain wild animals and birds, was completely stricken from the measure, and there was added, by the other body, the unrelated provisions on the subject of meat imports.

In accordance with assurances given on the floor, the conference committee has worked long and hard during the past week, and it is believed that the managers on the part of the House have been successful in bringing back a meaningful and greatly improved measure that will be effective in dealing with the problem of meat imports and will also

do much to preserve the prerogatives of the House in matters of this kind.

In the first place, the substance of the provisions relating to wild animals and birds, which was the sole subject of the bill as passed by the House, has been restored in modified form. It will be recalled that under present law wild animals, including birds and fishes, imported for use in any scientific public collection for exhibition for scientific or educational purposes are admitted duty free. H.R. 1839, as passed by the House, would have extended this duty-free treatment to such articles brought into the country by any importer for exhibition. The conference committee has recommended that present law still obtain, except that the duty-free treatment be extended to imports for sale for use in scientific public collections. In other words, this provision would still apply only with respect to those wild creatures that are intended for exhibition in and will be housed in public zoological collections for scientific or educational purposes.

With respect to the amendments of the other body relating to quotas on meat imports, the conferees have maintained the fundamental purpose of the many bills that have been referred to the Committee on Ways and Means on this subject, but have made modifications and improvements that will render the bill effective in offering the protection desired by the domestic meat industry and, at the same time, less potentially damaging to our vital foreign trade in other agricultural and industrial commodities.

First of all, the quotas agreed upon by the conferees are based on the average annual imports for the years 1959-63, which in terms of pounds is 725,400,000. This is an aggregate figure covering the articles specified in items 106.10—relating to fresh, chilled, or frozen cattle meat—and 106.20—relating to fresh, chilled, or frozen meat of goats and sheep, except lambs—of the tariff schedules of the United States.

As was true in the many House bills introduced on this subject, there is also provided in the bill as approved by the conferees a growth factor which will adjust the quota to take into account increased or decreased domestic production. The bill would provide that the 725,400,000-pound figure will be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the 2 preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1953 through 1963, inclusive.

The conferees have also agreed upon a different method for triggering the quotas. The procedure utilized would be just as effective as the automatic quotas provided in the bill as passed by the other body, but will be less offensive to important trading partners of the United States, with whom we enjoy a favorable balance of trade.

The conference committee was particularly desirous of developing a provision that would offer essentially the same protection as intended by the bill passed by the other body, but which would substantially lessen the potentially damaging consequences that inhered in that measure. We believe the provision, recommended by the conferees, which requires the President to proclaim the above-discussed quotas in effect whenever the Secretary of Agriculture's quarterly estimate of the level of imports equals or exceeds 110 percent of the quota calculated for a particular year, is a provision that satisfies these requirements. It is vastly more preferable than the measure of the other body, both from the standpoint of the domestic industry and our world trade relations.

The bill also directs that the quotas proclaimed by the President shall be allocated among supplying countries on the basis of the shares such countries supplied to the United States during a previous representative period. There was no comparable provision in the bill passed by the other body and the managers on the part of the House consider this a distinct and necessary improvement.

Finally, Mr. Speaker, the bill enumerates three categories of circumstances upon the occurrence of which the President may suspend or increase quotas previously proclaimed. The quotas may be suspended or increased if the President determines and proclaims that:

First, such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry;

Second, the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

Third, trade agreements entered into after the date of the enactment of this act insure that the policy set forth in subsection (a) will be carried out.

The bill that has resulted from the long and concentrated labors of the conference committee was one that was developed after consultation with representatives of the domestic meat industry and the interested agencies of the Federal Government. We wish to acknowledge the splendid cooperation of both of these groups given the committee during the period involved in its deliberations.

Mr. Speaker, what this the conference agreement would provide is a fixed quota for the major beef, veal, and mutton items which would be increased in the future in the same ratio that commercial production in the United States increases in the future, as compared with the average commercial production in the 5-year base period of 1959-63. For example, in the 5-year base period U.S. commercial production of beef, veal, and mutton were as follows:

	Pounds
1959-----	14, 197, 000, 000
1960-----	15, 446, 000, 000
1961-----	15, 937, 000, 000
1962-----	15, 917, 000, 000
1963-----	16, 938, 000, 000

The annual average commercial production for these 5 years was 15,687 million pounds.

The U.S. commercial production in 1963 was 16,983 million pounds; in 1964, it was estimated at 18,500 million pounds, and in 1965, it was tentatively estimated at 19,400 million pounds. The annual average commercial production for these 3 years would then be 18,279 million pounds.

The commercial production in the 3-year period 1963-65 exceeded the annual average commercial production in the base period 1959-63 by 16.5 percent.

Applying this percentage increase to the 725,400,000 pounds specified in the bill, the import quota if needed in 1965 would be established at 845,100,000 pounds. This would compare with actual imports of 1,049 million pounds of these products in 1963.

Mr. Speaker, permit me to advise the Members of the House that I have in my possession telegrams from those who represent the cattlemen of the United States through their organization, the American National Cattlemen's Association, and those who represent the feeders of the Nation through the National Livestock Feeders' Association, completely endorsing the conference report and expressing their hope that this measure will be agreed to by the House and the other body and that it may then become law.

I am also advised by representatives of the agencies of government to which I have referred that they will not recommend to the President of the United States that he veto this legislation if it is passed. I thus have every reason to expect and believe that if the House approves this conference report and the Senate does likewise, as I think it possibly will sometime today, it will receive favorable action by the President himself.

Mr. Speaker, on the floor when the rule was being considered I said if it were possible to bring these groups together it probably would be a miracle. I think we should change the word, because I would not characterize it as a miracle. What we can say is that it is the result as much as anything else of what I found to be a cooperative attitude and spirit on the part of the people representing the advocates of the legislation, and the departments of Government involved in the legislation. I have never known people who perhaps in the beginning were any farther apart in their positions and in their desires. Nor have I known any groups of hardworking, conscientious people who did more to bring their own points of view to the middle ground in the hope there could be a joining of the thinking and resolution of the very complex and difficult problems involved.

So, Mr. Speaker, I feel we owe a deep debt of gratitude in this instance to those who have worked in trying to bring about the compromise which we have here. They did it, of course, under the direction of the conference group. They did it, of course, in full keeping with the hope the conference group had that we would be able to bring back something to the House that would be satisfactory to the

proponents and certainly acceptable to those in Government. That we have done.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. KEOGH. Mr. Speaker, I appreciate the great work that the conferees have done in this rather difficult and somewhat delicate area. I am delighted to have the assurance of our distinguished chairman that we have finally consulted with and obtained the favorable attitude on the part of domestic producers and of the agencies of government involved.

But I wonder if at the time the attempt was made to elicit the views of the domestic importers of beef in the first instance, there was also any effort made to obtain the views of responsible and respectable representatives of the consumers of the United States.

Mr. MILLS. Yes; that has been done. We have been in contact with many segments of our society. We have received a cross section of views on this.

The SPEAKER pro tempore (Mr. ASPINALL). The time of the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, let me assure you that what we have done in this conference report is to accomplish the purposes and objectives of the proponents of the legislation in a way different from that proposed in the Senate amendment, but accomplishing the same broad objective. It should be borne in mind that the basic quota fixed by the Senate proposal is approximately 6.7 percent of the domestic slaughter during the base period.

That will be the percent of our domestic commercial production in any future year under the provisions of the conference report. It may be greater or it may be less in total pounds in a future year, depending entirely upon whether or not there is a growth in the domestic commercial production of this type of meat in the United State. Rather than have that tied to consumption or some figure on which we are not as well informed, we have tied this to domestic slaughter here in the United States. What we refer to as domestic commercial production means that domestic slaughter which goes on in the packinghouses. It does not, of course, include slaughter on the farm, which is largely home consumption meat.

This is different from the Senate amendment fundamentally in this respect. Under the Senate amendment we would have legislated a quota that would have gone into effect on January 1, 1965, whether the imports of meat at that particular time justified a prescribed limitation or not. The bill itself has a rather technical, complicated triggering device, as we call it, that puts it into effect when the need arises. There is not "may" about it. It is mandatory, and it is effected, of course, by the growth formula which is in the bill. The conference report puts it into effect when the situation demands this quota. Maybe we will

never have this quota under this device in effect. We will not have it unless imports rise above the prescribed quota plus the growth which is allowed within the conference report.

If there are, for example, large shipments into the United States in future years, such as there were in 1963, over and above previous years, then this would go into effect. Many of our people have felt that those increased shipments resulted from an undue portion of meat produced outside the United States being brought into the country.

There are some features of this that I am satisfied will interest the consumers that were not in the bill which passed the Senate. We have enumerated in this conference report, Mr. Speaker, specific circumstances under which the President of the United States may undo the proclamation previously taken imposing this basic quota. In further response to the inquiry from my good friend from New York, we have set this out in the conference report on page 2, wherein we say that:

The President may suspend any proclamation made under subsection (c) —

Which is his authority to proclaim the quota —

or increase the total quantity proclaimed under such subsection, if he determines and proclaims that —

(1) Such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the Nation of the economic well-being of the domestic livestock industry;

(2) The supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

(3) Trade agreements entered into after the date of the enactment of this act insure that the policy set forth in subsection (a) will be carried out.

Now, Mr. Speaker, what we are saying is this: In the process of providing for a quota to go into effect, we are doing it in a way to best assure the consumer of the United States that there will not be price increases in meat of an unreasonable nature due to the limitation upon imports of this meat.

In addition, Mr. Speaker, we are saying this—and the cattlemen have been, I think, eminently fair in their willingness to compromise the Senate provision in this respect. We are not saying we will put the best interest of those in the cattle industry above the national interest of all the American people. If it comes to the point where the protection of the cattle industry from these imports is running contrary to the overriding national interest of the rest of the United States, then the President may act to suspend that which he has previously proclaimed.

But let me point out now that whenever the President proclaims the quota to be in effect, it is in effect for only 1 calendar year. This will be reviewed on the basis of each year's situation. If he has a quota in effect by proclamation and he decides to suspend it for any one of these reasons which are set forth here, then, of course, it can be suspended for the remainder of that calendar year.

But the whole of the problem will be looked at and reviewed and reconsidered as a result of this triggering device on a calendar year basis and every year separately. It will not be as the Senate provision provided, once in effect and then except in a rare situation, remain in effect whether it is needed or not.

The provision we have here will interfere less, and I think eliminate problems we otherwise would have had in the so-called Kennedy round of negotiations wherein we are seeking greater access to the export of agricultural and industrial products from the United States.

We have accomplished, therefore, the broad purpose of the Senate amendment but we have done it in a way, Mr. Speaker, that will bring to us less dire consequences as a result of the accomplishment of this purpose.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. FISHER. First, I desire to compliment the gentleman and his colleagues on the conference committee and the staff for what I think is a very reasonable and acceptable compromise bill. I notice in reading the conference report that lamb is omitted from the bill whereas in the Senate version, lamb was included on the same basis for quota purposes as was true of beef and mutton. Will the gentleman for the record explain why that was done?

Mr. MILLS. I am glad my friend from Texas raised that point. I meant to say something about it. Lamb was included in the Senate version but it is excluded from the first conference report for several reasons.

First, the lamb that we import goes into fresh table use and it is consumed as chops or as leg of lamb. It does not go into manufactured products like hamburger and hotdogs and other processed meat. In contrast, most beef that is imported does go into manufactured products where it tends to compete with our own beef.

Therefore, while mutton is included in the bill because, like imported beef, it is used in these manufactured meat products, lamb is not included.

The second reason is that it seems as if lamb imports for the year 1964 will be no more than 1 to 1½ percent of our table supply. Beef imports, however, as the gentleman from Texas knows, increased to about 10 percent or some say 11 percent of our total supply in 1963.

Finally, the prices to our domestic producers of lamb appear to be firmer, at least compared to cow beef.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 5 additional minutes.

Those prices are now at a level, I am told, of about \$21, which is perhaps at one of the highest levels lamb prices have been in 4, 5, or 6 years.

There has been an upward trend, I believe we would all admit, in this connection in the past 4 years. We were of

the opinion that lamb meat needed to be treated as a separate matter and not to be brought into this legislation, which primarily endeavors to try to do something to alleviate the situation as to cows and cow meat in the United States.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Oregon.

Mr. ULLMAN. I congratulate the gentleman from Arkansas for bringing us a bill. He not only did what he told the House he would do, but he has met this very difficult problem in a way which, in my opinion, will satisfy the problem of the industry, will not harm our tariff negotiations, and will not adversely affect the consumers of this country.

I have some specific questions to ask the gentleman.

First, in section 2(a) we define meat products covered by the bill as coming under sections 106.10 and 106.20 of the tariff schedule. I should like to have some assurance from the chairman of the committee that whereas in those sections grounds meat may not be covered—it is considered by the conference committee to come under this bill and under the quota specifications of this legislation wherever it might be found in the Customs Code.

Mr. MILLS. Actually what we are talking about in the subsection (a), where we set the policy of the Congress, is that meat which comes in under 106.10 and 106.20. That is specified in the Tariff Act as being fresh, chilled, or frozen cattle meat and fresh, chilled, or frozen meat of goats and sheep—and then we provide "except lambs."

It is because of the possibility that there might be some deliberate, designed attempt to circumvent the purpose of the Congress and the legislation itself that we added a proviso which is on page 3 of the report, subsection (e), which is:

The Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of this section.

For example, if a country which is a major supplier of cattle meat decided it would get around this quota by merely grinding the meat there and shipping it over here in some form designed to circumvent these two particular sections, then it would be expected that the Secretary of Agriculture would use this authority to include that within the total we are making possible for importation under this conference report.

Mr. ULLMAN. I think the gentleman. That answers that question. Now I have a question with regard to section 2(c) (1), (2), and (3).

First the conference report declares it the policy of the Congress that imports shall be at the 5-year level plus a growth factor.

Under the provisions of the bill the Secretary will make an annual computation of the overall quota of beef which can come into the country then, on a quarterly basis, he will make an estimate in advance as to whether imports

are expected to exceed that level for the next 3 months.

Is it not true that in any given quarter the imports could exceed the amount allowed by more than 10 percent?

Mr. MILLS. On a quarterly basis, yes, that is an entirely true. I call the gentleman's attention to this fact: When once the imports at any time come in, in such amounts as to trigger this device and to bring the quota into existence, then the quota itself, giving proper consideration to the growth factor, comes into play for the entire calendar year.

So the limitation is with respect to the entire calendar year. There would have to be then a leveling so that in all quotas remaining in the year imports would not come in at this very high level to which the gentleman refers.

Mr. ULLMAN. The gentleman's understanding, then, is that in no instance would this overall import exceed this annual quota estimate?

Mr. MILLS. That is clear in the bill once quotas are set.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I would like to start with the main question which concerns me since there is so little time to ask questions in the remaining time left.

What I want to know is, Is the purpose of this bill to raise prices or not?

Mr. MILLS. The purpose of this bill is to create a circumstance in which the price of cow meat—and we are talking largely here about cow beef as distinguished from grain fed Choice and Prime meat that we eat in the form of steaks and so on—wherein the price of that meat, which today is down to approximately \$12 or \$13, as I recall it, compared to a price at this time last year of around \$15 and compared to a price in 1962 of around \$16—could be increased somewhat because of the adverse effect these imports have had on cattlemen.

Again, though, we are also attempting to protect here against the rise of that price to such levels to the producer as would result in undue increases in consumer prices. In other words, what we are trying to do is to restore a degree of stability here to the price received by producers within the cattle industry that does not now exist but without bringing about unreasonable prices to consumers. We think we have taken precautions in the conference report to do that.

The SPEAKER pro tempore (Mr. ASPINALL). The time of the gentleman has again expired.

Mr. MILLS. Mr. Speaker, I yield myself 4 additional minutes.

Mrs. SULLIVAN. Mr. Speaker, I wanted to ask the chairman of the Committee on Ways and Means many of the questions which concern the consumer. Unfortunately his time has just about run out. I wanted to know whether or not it would raise the price to the consumer. The questions I had would have led up to that point. If I may be permitted to pursue some of them, Does "reasonable prices" refer to

prices for all meats or just hamburgers and hot dogs?

Mr. MILLS. Let me say to my good friend from Missouri, for whom I have the very greatest respect and a very genuine affection, that I know she is very greatly interested in the consumer at all times, as I am myself, but let me tell you this: the price to the consumer is not always the result of the price of an agricultural product rising at the producer's level. It is not always that. There are many, many reasons why prices may rise for the consumer besides merely the price rise of the producer. Now, we cannot protect against all of those eventualities and considerations, but we have protected against the price to the producer rising to such levels as to reflect itself in unreasonable prices to the consumer. This would mean the price of all kinds of meat.

Mrs. SULLIVAN. If the chairman will listen to me here, the reason I wanted to ask these questions was that you are tying retail prices on certain types of processed meats from low-quality beef to the overall price of farmers for high-quality steers. Is that not true?

Mr. MILLS. No, we are not. If we can do that and if we can succeed in doing that, then, of course, I doubt the cattlemen themselves would be for this legislation, because you would have the price of processed beef so far up in the marketplace, if you tied that price of cow meat to steer meat, that you would not have anybody buying red meat in processed form but they would turn to some other kind of meat for consumption.

Let me tell you those who produce cattle are just as concerned about unreasonable prices on any type of meats as the consumers, very frankly. They have a right to be concerned, too. If they are not concerned, the consumer will turn from the consumption of so-called red meat to the consumption of some other kind of meat. Do not think that this is a noncompetitive situation. This is a highly competitive situation in the marketplace. I think I can assure my friend from Missouri that we have safeguarded, we have protected the consumers' interests here as well as the interests of everyone else. We are concerned about consumers just as we are about the producers of meat.

Mr. Speaker, I urge the adoption of the conference report.

(Mr. FISHER asked and was given permission to extend his remarks in the RECORD at this point.)

[Mr. FISHER addressed the House. His remarks will appear hereafter in the Appendix.]

Mrs. MAY. Mr. Speaker, I rise in support of the legislation before us. I am a cosponsor in the House of Representatives of the many bills introduced to offer a measure of protection to the livestock industry from excessive foreign imports. While the compromise agreement before us should certainly help the situation, and I will vote for passage of this legislation, I feel it necessary to express to my colleagues a deep disappointment that lamb has been deleted

from the provisions of this legislation. I know that some of my colleagues who served on the conference committee expressed similar concern that the administration insisted that import restrictions on lamb not be included. It is difficult to understand the administration's position on this, since the heavy volume of lamb imports from foreign countries has been a serious problem to this vital industry for some time.

The effect of today's action will leave lamb unprotected, and lamb producers can therefore look forward to not only a continuing problem from excessive imports, but an intensified problem because protecting beef but not lamb will no doubt stimulate increased lamb exports from New Zealand and Australia to partly compensate for losses in beef exports.

It was, and continues to be my hope, Mr. Speaker, that the Congress will do something positive to help protect the lamb producers of our Nation.

In support of the need for import restrictions on lamb, I ask unanimous consent to place at this point in the RECORD, a statement by Edwin E. Marsh, executive secretary of the National Wool Growers Association:

NECESSITY FOR RETAINING LAMB IN MEAT
IMPORT QUOTA BILL

Members of the 20 sheep and lamb producer organizations composing the National Wool Growers Association, operating in a 23-State area where over 70 percent of the Nation's lambs are grown, feel very strongly that it is highly essential for quotas on both lamb and mutton to be included in H.R. 1839.

In 1957 dressed lamb imports to the United States totalled 1,800,000 pounds. In each subsequent year with one exception, lamb imports have increased and for the calendar year 1963 totalled 19 million pounds, an 860 percent increase in 7 years. The 1 year that lamb imports fell off slightly from the previous year was 1961 and the reason for this was that domestic lamb prices were so depressed and below costs of production that New Zealand apparently found it more profitable to ship its competing dressed lamb to other markets.

The tariff duty on dressed lamb was reduced 50 percent in 1948. At 3.5 cents per pound it is now so tragically low that it could not begin to meet differences in production costs here and abroad. As a result of this low tariff the price United States wholesalers pay for foreign lamb is considerably below the price domestic producers must receive to meet their costs of production. In recent years many domestic producers have not met their production costs and have progressively gone further in debt. USDA data shows a wide variation between costs of foreign lamb landed at east coast ports and domestic lamb prices for the same period. In some years foreign lamb has been landed here at approximately 50 percent of the price of domestic lamb during the same period. Without the slightest doubt this price differential does create an adverse influence on our domestic lamb market which will only be further aggravated unless some limitations are placed on the amount of cheaply produced lamb that can come in here.

While percentage-wise lamb imports may not seem high compared to domestic production, the impact of the foreign product is much greater by reason of the fact that most of it lands in New York City which is also the price setting point for lamb in a wide area of the United States. When a few

too many pounds of lamb hit the New York market, the market there drops and the drop is immediately reflected in other major markets of the Nation.

Furthermore, our industry faces a unique distribution problem with lamb. While beef is consumed in volume all over the United States, over 70 percent of the lamb consumed here goes to outlets in only three areas of the United States; namely, the New York-New England area, the Chicago area, and the west coast. Statement has been made that we should have more lamb in this country even if we have to import it, because there are areas where consumption is small. Despite the fact that the U.S. industry has engaged in extensive organized promotional efforts, the fact is that the market for lamb has not widened to any appreciable extent and there is definitely a limit on the amount of lamb that can be marketed profitably. Experience has shown that when the available supply of lamb increases beyond the market potential of the principal lamb-consuming areas, the price decreases, in some cases sharply. This causes rather severe economic difficulties for the sheepmen of the United States because over two-thirds of their total income is from the sale of lambs while less than one-third is from the sale of wool. For example, in 1959, 1960, and 1961 domestic lamb production increased. Lamb imports also increased during those years. As a result, the average farm price of lambs dropped from \$21 per hundred pounds in 1958 to \$18.70 in 1959; \$17.90 in 1960; and \$15.80 in 1961. The lamb market is very sensitive to increased supplies.

The price drops above have caused further liquidation in 1962 and 1963. Production, therefore, is down at present and lamb imports to date this year are down considerably from what would be permitted if quotas were established on the basis of average yearly imports for the past 5 years. Domestic lamb prices are now stronger and we know that the decrease in imports has been a factor in this stronger market. If reasonable quotas could now be established, growers here could continue their operations with the confidence that there will be reasonable limitations on the amount of lamb which can be brought into the United States when market conditions abroad render it expedient for the exporting nations to use this country as a "dumping ground."

Statement has been made that mutton should be in the bill, because mutton, also, competes with cow beef, both being used for processed meats. This is true. By the same token lamb must be retained in the meat import quota bill because imported lamb, coming in here in both carcass and cut form, competes directly with production of domestic lamb.

Packers and retailers have stated repeatedly to domestic growers that the price variation between foreign and domestic lamb exerts a continual downward pressure on the market. Unless tariff increases are possible to more nearly equalize this price variation, then the only hope of the domestic industry is the control of the volume of imports.

A recent release out of New Zealand stated meat trade sources reported that New Zealand lamb shipments to the United States would be discontinued for the balance of this year. We checked this report with the New Zealand Trade Commissioner's office here in Washington and are advised there is no truth in this report and that they expect to continue to sell lamb here as usual.

In many of our semiarid regions sheep and lambs are the only livestock that can survive and make use of the sparse vegetation. This is true in the West and Southwest particularly, where sheep production is one of the important industries in the economy of these areas. In fact, a number of rural areas in the West and Southwest depend on the sheep industry as an important source of

income for taxes to provide schools, roads, and other necessities, as well as to support the industries of those communities through purchases of supplies for sheep ranching and farming operations. Therefore, in these areas, the sheep industry is extremely important to the economy and serves as a full-time occupation and means of livelihood for many of its residents. These are the areas hardest hit when imports cause a lowering of domestic lamb prices.

In conclusion, future control of imports of both lamb and mutton through quotas is vital to the economic health of our domestic sheep industry. The industry itself badly needs and wants this type of control. Furthermore, we point out that the Senate, in its wisdom, included lamb quotas in the bill they passed by a vote of 72 to 15, indicating the sentiment of that body for reasonable lamb quotas.

EDWIN E. MARSH,
Executive Secretary, National Wool Growers Association.

Mr. MILLS. Mr. Speaker, at this time I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Speaker, I am going to be brief because there are many people I know who want to get their 2 cents worth in, or a few words at least in, on this subject.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks immediately following the remarks of the gentleman from Wisconsin.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mrs. MAY. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mrs. MAY. Mr. Speaker, I ask unanimous consent that I may include my remarks in the RECORD following those of the gentleman from Texas [Mr. FISHER], when he discussed the exclusion of lamb in this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members desiring to do so may extend their remarks in the RECORD following the remarks of the gentleman from Wisconsin on the subject matter of this conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I rise to speak on this conference report with rather mixed emotions. I think we have to admit at the outset that those who were the proponents of quota restrictions encompassed in the Senate amendment must recognize that that proposal has had most of its teeth extracted. Maybe a little history would be helpful both in terms of what we have here before us, the situation that the

conferees confronted, and also the situation as it relates to consumers' prices.

First let us point out that the Senate adopted a quota provision that imposed quotas on the basis of a 5-year average. The total for beef and mutton would have been 725 million pounds per year, allocated on a quarterly basis. That was approved by the Senate by a vote of 72 to 15 with the leadership of both parties in the Senate voting for it. One of the things that was very amazing to me was the silence of the administration's spokesmen at that time with respect to the merits or demerits of the amendment adopted by the Senate. They were very, very quiet and they were quiet until it appeared as if this body might accept the Senate amendment. And then the State Department and Agriculture went to work. The words that they used to describe the Senate amendment ran a whole gamut of adjectives from irresponsible, a violation of GATT, and everything else.

But, let me point this out. The Secretary of Agriculture advised the Committee on Ways and Means and advised the conferees that even if the Senate amendment went into effect it would not produce a reduction in the anticipated importation of beef into this country either this year or next year, or at any time in the future that he could foresee.

So, Mr. Speaker, all this talk about the Senate amendment increasing the price of hamburgers and sausage and all the rest, is frankly just an effort to pull a lot of wool over the eyes of the people. The administration admitted that even the Senate amendment would not have acted to restrict imports below the amount of beef that will be shipped into this country. So that even the Senate bill would have no effect on prices.

Now, what has happened? The cattle people have agreed to accept the compromise that has been worked out. But I believe we must recognize that under this bill the likelihood of restrictions ever being brought into play, and a quota being placed on beef imports, is rather far-fetched. It will only happen in the most unusual circumstances, possibly such as a recurrence of the situation that caused the great flood of beef in the years of 1961, 1962, and 1963; namely, when the Western European market was closed to the normal exports of New Zealand and Australian beef. What happened when they could not ship beef to Western Europe? They came into the American market and dumped it here. It is admitted that we had an unusually large influx of foreign beef coming into this country.

Now, Mr. Speaker, this bill might prevent a recurrence of that kind of situation, but that is the only type of situation that I can foresee where this bill could possibly have any effect, and then only if the President decided that none of the three criteria exists for suspending its effect at that time.

The SPEAKER pro tempore (Mr. ASPINALL). The time of the gentleman from Wisconsin has expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. BYRNES of Wisconsin. So that what we really have here is, I believe, a

guarantee possibly against a recurrence of the situation that existed in 1961, 1962, and 1963. But, mark this: You use as your quota to determine how much could come in, first, a 5-year average, which amounts to 725.4 million pounds, and then you add a growth factor which, as we were told, would represent another 6-percent increase in that figure. Then the President still does not impose a quota until the imports are estimated to be 110 percent of that figure. So, imports must exceed 116 percent of the 1959-63 average insofar as next year would be concerned, before the quota would even come into effect, and then it would not necessarily come into effect unless the President decided that three other conditions did not exist.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield very briefly to the gentleman from New York.

Mr. KEOGH. Was not the evidence before our committee clear that the state in the exporting countries is such now that no quota would be imposed at least until 1966?

Mr. BYRNES of Wisconsin. The point was that it is not anticipated that there will be the volume of imports coming into this country which would produce an importation in excess of 725 million pounds a year.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. I hope my friend, the gentleman from Wisconsin [Mr. BYRNES] will make it completely clear to everyone, including our mutual friend, the gentleman from New York [Mr. KEOGH], that there may not ever be a quota imposed under this bill.

Mr. BYRNES of Wisconsin. That is the point I have been trying to make. Even if the Senate amendment had been adopted the quota would have been meaningless because it would not have restricted the intended imports.

Mr. MILLS. That is right.

Mr. KEOGH. Mr. Speaker, will the gentleman yield to me?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. To whom does the gentleman from Wisconsin yield?

Mr. BYRNES of Wisconsin. I am not yielding to anyone right now.

In adopting this conference report there is even less likelihood of a quota ever being imposed because of a new growth factor which is added to the base. Then, the imports must exceed 110 percent of that base. That is the very point I have been trying to make. If you have an idea that the quotas will go into effect, you are wasting your time. The only time the quotas would come into effect is possibly a recurrence of the kind of a situation that we had when the Western European markets were closed to Australian and New Zealand beef, and they, therefore, turned to the United States and dumped it here. You would be protected under this conference report against a recurrence of that situation, but that is all it will do.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from New York.

Mr. KEOGH. This presents an analogy to a court of equity. Equity should not be a vain thing. If the gentleman tells us these quotas will never be imposed, then they should not be provided by law.

Mr. BYRNES of Wisconsin. The quotas are not likely to be imposed. But, I think that we should protect our own source of supply, and our consumers' source of domestic supply, against the disrupting factor of a dumping such as occurred in these years 1961 to 1963, particularly, as a result of the international marketing provision.

Mr. KEOGH. We have laws to prevent the dumping of articles into the United States.

Mr. BYRNES of Wisconsin. There is now no authority to impose quotas on beef, and this bill would give the President that authority.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Section 227 of the act of 1935—this is an agricultural act—provides for the imposition of quotas, restrictions and tax on imports under certain terms and conditions. I would like to ask the gentleman if the conference report now before us in any way repeals existing law?

Mr. BYRNES of Wisconsin. It does not. The administration entered into a voluntary agreement with Australia and New Zealand.

Mr. WHITTEN. The act goes much further than that, but the gentleman's answer is that it does not affect that provision.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. JENSEN. I do not believe it is clear to the Members of the House who are listening to this debate just how much beef and mutton, percentagewise, according to our production, will be permitted to be imported into the United States if this conference report is made the law of the land.

Can the gentleman clarify that?

Mr. BYRNES of Wisconsin. To a degree, yes, but it is always going to be a moving figure. Beef imports, we were told, could reach about 7.5 percent of domestic consumption before the quotas could be imposed. If consumption and domestic production keeps going up, the import allowance will be a higher figure, but the percentage will be in that range.

Mr. JENSEN. I can understand that, but the provisions of this law will be administered—

Mr. BYRNES of Wisconsin. Let me explain to the gentleman. I can understand his question.

We set up a basic amount that can

come in, 725,400,000 pounds, plus a growth factor, plus even an estimate of 110 percent of that figure; but once that is estimated, the imports will reach that figure, and these estimates are made on a quarterly basis, the President has no other alternative except to put the quota into effect, unless he finds certain conditions under which he can then suspend the quota. There is always the authority in the President, once having put quotas into effect, to suspend them. This points up how unlikely it is that there will be an imposition of quotas under this act.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. COLLIER. I take this time merely to take note of the fact that there is in some quarters among our colleagues here a rather belated concern over consumer prices, those who voted for the sugar bill, the cotton-wheat bill, and the Coffee Agreement Act. I am happy that now this belated concern comes to the surface.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from South Carolina.

Mr. DORN. I would like to take note of the fact that there has been a lot of talk about the ground meat. About 18 months ago they discovered a lot of mule meat and horse meat, ground, in circulation in Ohio. Several years ago a thousand pounds or a thousand tons of kangaroo meat, ground, was sold through out Ohio. No wonder we read articles about our being jumpy these days.

Mr. BYRNES of Wisconsin. Let me conclude.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from North Dakota.

Mr. SHORT. The President's authority to establish quotas is the key provision in this bill as far as the livestock people are concerned and as far as the effectiveness of the bill is concerned. The language in the Presidential authority is quite broad. Could the gentleman give the Members of the House some idea as to whether or not in his opinion the President can suspend the quota, because of the indication that was recently received I think from Australia that if this bill is passed today retaliatory measures will be taken by Australia?

Mr. BYRNES of Wisconsin. There is not only that likelihood that quotas can be suspended on the basis of the threat to retaliate, but also on the basis that it would interfere with other negotiations that were going on if this law were in effect today and the quotas were in effect, the President could suspend them on the theory they were interfering with the Kennedy round of GATT negotiations. So here again some of the teeth that were in the amendment as it came from the Senate have been removed.

Mr. SHORT. I think it would be most inappropriate on the part of Australia, because imports have increased from \$18 million to \$507 million.

Mr. BYRNES of Wisconsin. As far as Australia and New Zealand are con-

cerned, I think they did not contemplate importing into this country any more than the amount which would come in under its formula in this bill.

Mr. SHORT. Mr. Speaker, the livestock producers and feeders of this country have often sought relief from almost completely unrestricted imports through what would seem to be the proper channel—the Tariff Commission. The results have not been satisfactory, partly because the authority of the Commission did not extend to the type of relief desired, but mostly because our State Department could always be counted upon to oppose any effort of a domestic industry to secure relief. The industry has felt they would be no more successful under the escape clause provisions of the Trade Expansion Act.

Having had this experience, it was only natural that the livestock industry—principally the cattlemen—came to Congress when prices dropped so dramatically in 1963. I will not take time to detail the losses experienced by feeders and cattle producers, but the losses were spectacular. In appraising the situation the cattlemen recognized that our cattle population was at an alltime high and beef production was at an alltime high. This pointed to the necessity for cutbacks in production and feeding. The industry has done this in the past and they were ready to put their own house in order again. It is significant that there was no clamor for Federal assistance in the way of price supports or production controls. Cattlemen have strenuously resisted any attempt to include that industry under the umbrella of Federal supply management and price fixing.

In appraising their price situation, however, it became apparent that there was another factor over which the cattleman had no control. This was the factor of imports which had been rising spectacularly during the past few years.

The U.S. share of all world beef imports increased from one-fourth in 1950 to 51 percent in 1962 and 54 percent in 1963. This increase has been caused by an increase in import restrictions in other major world markets. The United States is the only major beef market without any quantitative restrictions and a very nominal fixed import duty.

Over a billion pounds of beef and veal—product weight—were imported by the United States in 1963, an increase of 20 percent over 1962 and equal to 11 percent of U.S. production. This is in sharp contrast to 1956 when imports were equal to only 1.6 percent of U.S. production. In the case of Australia, the largest supplier of beef imports, the increase since 1958 has been from less than 18 to 517 million pounds.

Now what did the livestock industry set out to do? They have never suggested completely shutting off imports as some editorials have inferred. They attempted to establish a quota for imports at a reasonable level that would only be operative when the domestic oversupply was such as to severely depress prices. They determined that an average of the last 5 years imports would be fair, since that would include 1963

with the highest level in history. In fact each of the 5 years, with exception of 1960 equaled or exceeded all previous import levels—1960, at 5.9 percent of our total production had only been exceeded in 1958. The approach, in effect, guaranteed to the importing countries a high level of imports regardless of domestic prices or supply.

Bills were introduced in Congress as long as a year and a half ago. Seventy odd Members of the House have introduced beef import legislation. The Senate by a vote of 72 to 15 passed a beef import bill that would impose positive restrictions on imports regardless of price or supply. This bill, H.R. 1839, on which we are considering the conference report.

We are today faced with, as I see it, three choices: first, no legislation; second, the Senate bill; or third, the bill in the form worked out by the conference committee.

I urge the adoption of the conference report as the only means of securing legislation that could be helpful. I say could be, because how this bill works will depend almost entirely on the disposition of the President to provide some reasonable protection to the livestock industry. This conference report is a compromise for the cattle people who wanted a workable provision in the bill to remove import restrictions when protection was not necessary. This has been provided. Many of us thought it indefensible to pass legislation which would restrict imports when domestic prices were high, as beef is a comparatively high cost item for low income consumers at best.

For the administration perhaps too much latitude has been provided to suspend quotas—certainly there is more discussion than many of us think desirable.

This is the chance we take.

As I see it this legislation is the best we can get at this time. If it does not result in providing some relief to the livestock industry it will be because it is not administered with a view of providing reasonable protection from excessive imports, to the largest segment of our agricultural industry.

Mr. JOHNSON of California. Mr. Speaker, I rise in support of acceptance of the conference report. I am sure that you are well aware that I was among the first to introduce legislation which would broaden the base upon which the imports of beef and other livestock into this country was computed. At that time, I had hoped that this could be accomplished, however, it appears that this was not attainable.

While the recommendation of the House-Senate conferees on H.R. 1839 does not completely solve the situation which the cattle industry of California now faces, I do believe that it is acceptable, both to the industry and to the administration. Certainly there is no question but what the language recommended by the conferees will help our domestic livestock industry.

The need for some sort of import protection for the domestic industry has been recognized, I feel, not only by the industry of our own United States, but

also by the nations of Australia and New Zealand. This is reflected in the voluntary reduction of livestock imports. This was a step which we all hailed and appreciated, however, it was the feeling of the cattle industry and the State of California that the 5-year base should be accepted.

I read here the resolution adopted by the California State Legislature on this subject:

Whereas the beef cattle industry in California and the United States is suffering severe price and economic damage from beef and veal imports into the State and the Nation; and

Whereas these beef and veal imports imported into the United States in 1963 set an alltime record of nearly 2 billion pounds, of which 23 million came through the four Pacific coast ports during a single month, which is equivalent to almost 54,000 head of grown cattle; and

Whereas beef and veal imports have had a rapid growth over the last decade, particularly subsequent to the modification of the United Kingdom-Australian meat agreement in October 1958, from 2.4 percent in 1953 to 11 percent in 1963; and

Whereas continued price depression will inevitably result in removal of capital from California and the United States to foreign countries with concurrent employment losses; and

Whereas the production potential of beef in certain low-cost producing countries exporting beef to California and the United States is virtually unlimited; and

Whereas since cattle raising and cattle feeding uses approximately 42 percent of the total tonnage of all feedstuffs and by products of countless agricultural crops produced in California and the United States, the industry is essential to the growth and welfare of the State of California and the American economy; and

Whereas the meat agreement negotiated between the Government of the United States and the Governments of Australia, New Zealand, and Ireland establishing quotas, to limit their beef, veal and mutton imports into this country to the 1962-63 average level, about 6 percent below the record level of 1963, does little to alleviate the depressed conditions in the cattle industry: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States is requested to establish quotas on imports of beef and beef products into the United States with principal exporters at levels substantially below the recordbreaking beef import years of 1962 and 1963; and be it further

Resolved, That the secretary of the senate be hereby directed to send copies of this resolution to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, and each Member of the California delegation in the Congress of the United States.

Mr. Speaker, this indicates the feeling of my own State of California on this important matter. May I also say that the conference report brought before us today is not a matter of quick decision or hasty action. It comes to us as a result of detailed investigation and consideration not only by legislative bodies, but also by independent agencies not connected with the industry.

You will recall that the Senate Finance Committee held comprehensive studies of the matter and at its request the Federal Tariff Commission held formal hearings on the matter. While

the Commission made no recommendation, the comprehensive report did provide the committee with a general description of the operations of the American cattle and beef industry, the consumption picture and much other information.

These statistics indicated that at least one-half of the increased American use of beef over the past several years has been taken over by foreign imports, which led the committee to the conclusion that foreign meat imports have played "an important part in creating the distressed market conditions in the cattle industry."

In conclusion I want to commend the efforts of the Departments of Agriculture and State in trying to solve the problem through administrative action. They have helped considerably, but I do believe that legislative action is required to complete the task. This proposal, as I said before, is not a complete solution, but it is a start in the right direction. I support acceptance of the conference report. Thank you.

Mr. FINDLEY. Mr. Speaker, the likely effect of this bill is to damage seriously our image abroad and at the same time provide no help whatever to hard-pressed cattlemen.

This legislation is a cruel hoax. It is called a bill to limit beef imports, but it does no such thing. It provides the President with a loophole so vast he could drive a giant herd of imported cattle through it.

The President has made it plain he will not rescind the voluntary import agreements he has negotiated with Australia, New Zealand and Ireland. He has said repeatedly he would veto any legislation requiring him to do so.

This legislation is so constructed that he can let it become law and still do exactly as he wishes in regard to beef imports. It is a plain and pure scheme to help the political position of Senators and Congressmen, particularly those on the Democratic side, who are embarrassed and outraged at the way President Johnson has mishandled the beef situation.

It will help politically only with those cattlemen who fail to read the legislation itself. Those who examine this verbiage will recognize it as a hoax.

Imports will continue, unaffected by this legislation. President Johnson long ago made the deal on beef imports. He tied his own hands and he knows it. That is why he exclaimed the other day that he would not let a "bunch of cowpokes" ruin his foreign policy.

Although ineffectual for U.S. cattlemen, it very likely will damage our position abroad. Some of the people abroad, like those at home, may not recognize this as a hoax.

They may interpret it as a repudiation of the President's agreement on imports. Thus, it may set in motion retaliation against our products, farm and otherwise, in foreign markets and increase the problems of our negotiators under the Trade Expansion Act.

The tragic drop in beef prices had its origin in the massive dumping of Government corn—over 2 billion bushels in all—

by the Kennedy-Johnson administration in 1961 and 1962. This dumping action drove down market prices so low it triggered abnormal cattle feeding. This year cattlemen reaped the bitter harvest of this unwise action by the administration as prices tumbled.

This irresponsible dumping should not be permitted to occur again. Nor should a President ever negotiate voluntary import quotas at the unrealistic levels approved by this administration.

What is needed is not new legislation, particularly a hoax of this kind. The need is for a new President, one who will in the future act more responsibly to protect the interests of cattlemen and all other Americans.

Mr. HORAN. Mr. Speaker, it looks to me that there is an element of fairness in this so called beef-quota conference report to the domestic producer.

One thing appears certain and that is that pricewise the domestic beef producer is not apt to profit very much.

The American market is the best market in the world. It is so because American per capita income is high. This enters into every cost of the American beef grower as he pays out wages, taxes, machinery and supply costs and all that it takes to do business in America. To me it is a rule of thumb that since the American producer does his part to build the American market he is entitled to a protection in that market. We are not here, today, talking about the protection of a tariff. We talk of quotas that may be imposed. Certainly if, under the pressure to do everything possible for freer world trade, the American producer is asked to share his own market he is entitled to know the exact amount of that sharing.

Mr. EDMONDSON. Mr. Speaker, I support the conference report on H.R. 1839, and the effort which it makes to safeguard our domestic cattle industry.

The conference measure apparently presents the best available compromise of opposing views on the highly controversial question that confronts us.

I hope and trust this measure, through wise administration, will enable our vital domestic cattle industry to thrive and flourish, without doing grave injury to foreign policy objectives that are also vital to our Nation's best interests.

Mr. LANGEN. Mr. Speaker, at last, after 5 years of talking, Congress has finally recognized the adverse effects of agricultural imports on the U.S. farm economy.

It was over 5 years ago when I first warned of the coming adverse effects of unwarranted imports, and I support the amendment before us today to limit the steadily increasing amounts of fresh, chilled or frozen meats entering this country in direct competition with domestic producers.

I support this amendment even though it does not go nearly far enough toward a complete solution of the problem. This is not the final answer. It is only a very weak beginning.

The greatest significance of our discussion and action today is the precedent we are establishing in finally recognizing that imports have become real problems for our farmers.

Now is the time to carry out my suggestion of last March for the complete study and review of our entire foreign policy in regard to the relationship between agricultural imports and falling prices paid to domestic producers of farm commodities.

This amendment on beef and other meats is only a first step. It now must lead to a consideration of all agricultural imports and their effect on the total agricultural economy.

Mr. BRAY. Mr. Speaker, it is rare indeed when any member of this body votes for a measure with which he agrees 100 percent. We all realize that in any comprehensive measure we must accept things with which we agree and some things with which we disagree.

Yet I doubt that there have been few measures before us which have occasioned as many doubts even among its supporters as this conference report (H. R. 1839) today, but I can see no hope of adopting any better legislation before Congress adjourns.

The objective is simple: to set up effective restrictions on meat imports to keep from flooding domestic markets to the great disadvantage of our own meat producers.

But the means established by this conference report has so many loopholes and is so complex that it is openly conceded that import restrictions on meat may never be imposed under this bill.

Even if the restrictions are imposed, there are a variety of circumstances under which the President would have the authority to remove them and the President has opposed this legislation so how much assistance he will give in enforcing the purpose of it is doubtful. Only time will tell.

Many fail to see the danger to our farm economy unless something is done to regulate meat imports. In addition this importation of foreign meats is increasing our balance of payments deficit which now has reached a dangerous all time high.

Of course the administration has intervened because it does not wish to risk the displeasure of Australia, New Zealand, Brazil, Argentina and other countries which sent meat to the United States.

It is such considerations which have made of this legislation such a hodgepodge.

The thinking of this conference report reflects largely the philosophy of the State Department, rather than the farmer and it is diplomatic rather than economic or agricultural considerations which govern its direction.

I will support the conference bill, Mr. Speaker, but with great reluctance. I still favor the objectives of this legislation, but I have little faith in the vehicle which purports to take us there. Because I believe that the President will allow the thinking of the State Department rather than the interest of American agriculture to dictate his actions in the enforcement of this legislation.

Without the sympathetic administration of this legislation by the President this legislation will be useless. I am hopeful but not confident.

Mr. CONTE. Mr. Speaker, I am deeply concerned when any segment of the economy experiences economic difficulties which adversely affects the income of those earning their living in the particular industry.

No one who has lived in New England in the past two decades could possibly feel otherwise.

Let me state that I am aware that our cattlemen have been faced with difficult adjustment problems during the past year or two and during those times when total supplies of beef were so large in ratio to the market that prices for cattle declined.

These problems do not, I think, justify immediate action by the House in determining the best solutions, for the simple reason that unwise legislation with respect to beef imports might have serious and adverse consequences on a number of groups in this country.

First, the legislation before us, which sharply reduces imports, provides little opportunity for such imports to increase during the next several years and would threaten prices paid by American consumers for hamburgers, frankfurters, and other products made from manufacturing beef from our own production and imports. Since these products are important elements in the diets of our middle and low income families, the burden of higher retail prices would be prohibitive.

I could not, in good conscience, wish this possibility upon the residents of western Massachusetts—an area where certain communities have suffered through a slow and persistent economic decline. No serious effort has been made to study and limit the excessive imports of products too numerous to mention, a situation which affects this area.

Secondly, this bill also affects producers of other agricultural products. There are efforts now taking place before the General Agreement on Tariffs and Trade—GATT—to open world markets for agricultural imports.

If legislation were enacted with respect to beef imports, in the interests of equity it would seem appropriate that attention also be given to imports of woolen textiles, shoes and other products made from agricultural raw materials. As I have stated repeatedly, American producers of these raw materials have been seriously concerned for several years with regard to the increasing level of imports, but have been unsuccessful in obtaining any genuine form of relief.

Thirdly, the public generally—by having the benefits of the products that will meet their demands—is also harmed.

One other factor, which has already been mentioned. The principal countries affected will be Australia and New Zealand. These governments are cooperating fully with the United States in present efforts to bring about more liberal trade terms in Western European markets.

These considerations all suggest the need for careful assessment of consequences before determining whether legislation is needed at this time. I, Mr. Chairman, stand with the American consumer.

Mr. UTT. Mr. Speaker, I rise in opposition to the conference report on H.R. 1839 for several reasons. H.R. 1839 went to the other body providing for the free importation of wild birds and animals for exhibition purposes. The other body used this vehicle to initiate tariff legislation, which under the Constitution is a prerogative of the House. The other body struck out all after the enacting clause and by a vote of 72 yeas to 15 nays they adopted legislation imposing mandatory quotas on imports of beef, mutton, lamb, and meat products. The quota provision provided that no quarterly imports of these products could exceed the quarterly amount of the 5-year period, 1959–63.

The formula adopted in conference is based upon the same 5-year period, with certain adjustments. First, there is a growth factor added to the 5-year average which is predicated upon the average production of the preceding 3-year period, including 1962 and 1963, when beef production reached its highest point. For example, the Secretary of Agriculture stated that beef production in 1963 alone increased 7 percent over 1962, and 1962 increased over the preceding year. In addition, quotas will not be invoked unless imports exceed 110 percent of the 5-year average plus this growth factor. In effect, imports for the year 1965—the first year to which the formula applies—must equal about 116 percent of the 5-year average if this bill is to have any effect—about 1 billion pounds. Imports will not reach that figure.

Second. As reported by your conferees, the bill excludes lamb and excludes sausage, canned meats, and other products. The latter was included in the Senate bill in order to close a possible loophole in the quota. It may be that this situation can be dealt with administratively. However, it cannot be said that lambgrowers have not been faced with increased imports of a magnitude equal to the imports of beef. In a hearing before the Tariff Commission, which has been notably unsympathetic to the plight of American industry, the lamb producers presented a sufficient case in order to convince two members of the Commission that they were entitled to relief under the escape clause. In a divided opinion, they were denied relief.

We should not just take cognizance of the beef people, because they are more numerous, and sweep the lamb problem under the rug. The lambgrowers are entitled to equal treatment.

Third. Finally, and what in my mind is most significant, the President is entitled to ignore the provisions of this act, if he finds such action to be in the overriding economic interest of the United States. Just what does this mean? This means that if the President finds that the current GATT negotiations will be adversely affected by the imposition of quotas, or if any country is about to retaliate against other products because of the imposition of quotas, he can suspend the quotas. If we are to believe what the State Department has told the committee, such conditions already exist. I did not give much weight to these statements. But, let us not fool

ourselves. Under this clause, there will never be any quotas imposed. The very basis upon which the State Department opposed the Senate can be cited as a basis for suspending any quotas.

Fourth. The Senate amendment was substantially the same as bills introduced by 70 Members of this body, including 6 members of the Ways and Means Committee, of which I was one. Actually, there are more than 100 bills pending before this body dealing with the importation of meat into the United States. Seventy-two Members of the other body favored mandatory restrictions. In the face of these facts, which certainly reflect the will of the Congress, I see no reason for accepting a watered down bill which has been written by the State Department and rammed down the throats of the cattlemen. I dare say that the cattlemen who have been cajoled into accepting this measure will, one of these days, wake up to the fact that they have been sold a bill of goods without substance.

Therefore, since the conferees were not willing to come back to the House with a bill which would have any teeth in it, I propose that the House accept the Senate amendment.

Mr. MONTROYA. Mr. Speaker, it pleases me to see the action taken by my colleagues in the House and the Senate in considering a just and forward looking quota system on imports of beef, veal, and mutton.

The beef cattle industry—which plays a vital role in the economy of my State of New Mexico and in many neighboring States—has been faced with a critical situation. In New Mexico, beef cattle sales are responsible for about 50 percent of our total agriculture cash receipts. Those receipts amount to about \$114 million per annum. Such receipts account for the fact that agriculture ranks second in dollar sales among our basic State industries—first, mineral resources; third, manufacturing.

It is naturally of major concern to us when so large a market becomes economically depressed and sharp price drops of \$3 to \$4 per hundredweight alive, are clear indication that there is something basically amiss. Figured in prices of 1960, when 553,145,000 pounds of cattle, alive, were marketed in New Mexico, a loss of \$4 per hundredweight equals an overall loss to the State of \$22,125,800. So during a price slump, the livestock producer suffers a direct loss, the business community and, indeed, the entire State suffers indirect but quite substantial revenue losses.

A very basic cause for our depressed market, according to the Department of Agriculture and many of my colleagues, has been the rise in imports as a percentage of our domestic production of beef, veal, mutton, beef cattle and calves, which in 1962 was 10.6 percent as compared with 3.9 percent in 1957. That is an increase of almost 7 percent in only 5 years. Relating imports to consumption, we find similarly that they currently represent almost 11 percent of our total consumption; this is compared with less than 4 percent in 1958—here we have an

increase in excess of 7 percent in less than 3 years.

When imports of the first 8 months of 1963 equal 122 percent of those of the previous year when, in 1962, Choice slaughter steers at Chicago averaged \$27.67 per hundredweight and fall in May of 1963 to \$22.61 and when in November 1962 Choice steers at Chicago sell for \$30.13 per hundredweight, but by May of 1963 have fallen to \$22.61 per hundredweight, there is no logical reason to further allow excessive foreign imports.

As we speak of becoming more efficient and interdependent under the Trade Expansion Act for world commerce, we swiftly realize that in the area of beef trade the United States is unwittingly furthering every other Nation's beef stability but her own. In international trade, as it relates to cattle, we owe no further concessions, but rather are justly due preferred treatment to compensate for the extensive losses already incurred at the cattle market.

Mr. Speaker, I am deeply concerned over the unfair treatment which cattlemen have been receiving in the area of foreign trade.

Our beef industry has suffered from considerably lower production expenses in such countries as Australia, New Zealand, and Argentina. All of these countries have been able to export to the United States about 80 percent of the beef which we import annually. Moreover, relative to our Western nations, a far smaller proportion of American agricultural output enjoys the benefits of nontariff import controls. France accrues benefits of 74 percent; West Germany, 93 percent; Italy, 63 percent; Australia, 41 percent; New Zealand, 100 percent; and the United Kingdom comes closest to our humble level with 37 percent outdoing us by 11 percent.

So, while our Nation's imports and quota controls have been steadily falling, those of other nations have risen or remained stationary.

But now we have an opportunity to right the wrong. We have an opportunity and an obligation to afford our livestock producers with proper protection from foreign imports and cutrate prices.

I strongly urge that we impose some restraints on a virtually unlimited importation of beef. It is vital that realistic guidelines be established to afford proper income protection to the world's best cattle producer—the American cattleman. We have the opportunity to establish these guidelines; I urge that we do so with prompt consideration and passage of this measure.

Mr. ROGERS of Texas. Mr. Speaker, in my view the conference report accompanying H.R. 1839 offers a partial solution, to correct long-standing abuses inflicted on our domestic livestock industry by excessively high levels of beef and other meat imports.

In the district I have the honor to represent, the great Panhandle of Texas, virtually every citizen stands behind the enactment of legislation to effect a result in keeping with the best interest of our country.

Our country is cattle country. But, in a sense, all America is cattle country, with each farmer and each rancher permitted by our system to do his best to supply the expanding needs of our expanding population for fresh meat.

Too long have our farmers and ranchers suffered the crippling effects of foreign importation. The facts of the situation are well known and often repeated and I do not mean to dwell on statistics again because the effects of the situation are obvious; a level of imports permitting foreign meat suppliers to provide upwards of 11 percent of domestic requirements is disastrously high.

It is clearly true also that in order to export agricultural commodities we must be willing to accept imports. But surely less damaging balances can be found than those presently affecting our domestic livestock people—and as a solid step toward this goal I support the conference report.

In this legislation we are given the tool by which further damage can be prevented, by which the tide can be turned, and a great segment of our economy protected.

It has long been my conviction that the future of American cattlemen was not going to be bright until something was done to correct the problem of unrestricted imports. The potential for increasing beef production in the countries which supply most of our imports—Australia, New Zealand, Mexico, Canada, Central America—is almost unlimited.

Failure of the Congress to act on this matter could serve only to increase the enthusiasm of foreign livestock producers until the United States became the destination of every additional pound of meat they produced.

The conference report recognizes that the United States can absorb normal imports without being badly hurt. It recognizes also that we cannot stand unlimited imports; that our own livestockmen are due to suffer a depressing loss of incentive; that the structure of our markets will surely reflect further foreign inroads in American consumption habits to the detriment of our own people, farmers and consumers.

Our farmers and ranchers are producing more and better food products—including meat—than ever before. And

even though their costs are mounting steadily, our farmers are getting lower prices than 16 years ago.

This legislation can serve as a partial answer. I am not sure that any of us can accurately foretell whether this step is all that will be needed. For example, I believe that a sound followup would be enactment of legislation to provide for labeling of beef and meat products from abroad, so that consumers can know the point of origin of the meat they purchase.

I have introduced legislation providing that imported meat and meat products sold in interstate commerce be labeled as to the country from which they came. I will continue to urge our colleagues to adopt this or similar legislation.

But first we must now, in this session, do something about the basic problem, the levels of these imports. Our cattle producers, our livestockmen of all kinds, have served our people well. They have asked little of their Congress.

Let us enact this legislation.

Mr. OLSEN of Montana. Mr. Speaker, I wish to commend the conference committee upon keeping their collective word and bringing us a bill providing import quotas on beef and other meat. I know the committee has had a most difficult task trying to write a bill satisfactory to the cattlemen of the United States and not too objectionable to the trade policy of the administration.

Nevertheless, I support this resulting H.R. 1839 somewhat reluctantly, because I expected more protection. But inasmuch as the cattlemen's organizations are advising us of their pleasure at this compromise, I suppose I should be satisfied, too. To be sure, it is more than a sentiment in the right direction; it is a large step. I am sure the provisions of H.R. 1839 will deter a mushrooming again of beef imports such as occurred in 1961, 1962 and 1963.

It seems to me that restricting these imports to the last 5 years' average and allowing imports only a very small proportion of the growing U.S. market is a reasonable compromise on this very difficult problem.

I now read into the RECORD at this point a comparison of principal provisions of the Senate amendment and conference report.

IMPORT QUOTAS ON BEEF, ETC.—H.R. 1839

COMPARISON OF PRINCIPAL PROVISIONS OF THE SENATE AMENDMENT AND CONFERENCE REPORT

The Senate bill and its effect

1. Basic quota: Imposes a basic quota of the average yearly imports of beef, veal, mutton, and lamb for the 5-year period 1959–63.

2. Separate quotas for each meat.

3. Growth factor: Allows a complex growth factor only in years when domestic beef sells for 90 percent of parity or more.

This limitation effectively prevents any growth factor.

The House bill and its effect

1. Basic quota: Same, but does not include lamb.

This gives the cattle industry the basic protection they want.

Lamp imports are needed to help meet U.S. consumer demand.

2. Aggregate quota for total of all meats. This is easier to administer and fairer to exporting countries.

3. Growth factor: Allows exporters a growing share of U.S. market in proportion to the increase in domestic beef production over the base period. (Uses average of a 3-year period to measure growth of U.S. production.)

This allows exporting allies a reasonably fair share in growth of U.S. market.

IMPORT QUOTAS ON BEEF, ETC.—H.R. 1839

COMPARISON OF PRINCIPAL PROVISIONS OF THE SENATE AMENDMENT AND CONFERENCE REPORT

*The Senate bill and its effect*4. Date of imposition of quota:
January 1, 1965.

This would result in an immediate violation of U.S. agreements with Australia, New Zealand, and Ireland by which these countries voluntarily agree to reduce imports. We sell these countries \$256 million more than they sell us.

Meat supplying countries would be entitled to retaliate to the extent of about \$100 million against U.S. exports of tobacco, cigarettes, cotton, wheat, automobiles, farm machinery, airplanes, chemicals, and other products.

It would hurt Australia and New Zealand, ANZUS and SEATO allies who furnish us vital military facilities and who buy our military equipment. It would hurt Ireland, over one-half of whose exports to the United States are beef. It would hurt the Alliance for Progress by reducing the earning power of our Latin American neighbors.

It would undermine the U.S. negotiating position in the Kennedy round. A main goal is to expand access for U.S. agricultural exports. Imposition of quotas required by the Senate bill would drastically hurt our ability to help U.S. exports. Success in agricultural negotiations in the Kennedy round is essential to the whole negotiation. Without it, we cannot help U.S. industrial exports either. U.S. farm exports provide more than 949,000 jobs (13.2 percent of total U.S. farm employment) and account for one of every 4 acres harvested. U.S. farmers need increased exports.

5. Safety clause: Not effective in time of national emergency declared by the President.

Since a national emergency declared in the Korean conflict is still in effect, the Senate bill would probably not be in effect at all.

Other provisions

6. Imports are to be controlled by ports of entry.

This would require unequal treatment of various U.S. ports and would probably be unconstitutional.

7. Canned, cured, and prepared meats are under the quota.

These are essentially foods not produced in the United States. Imports have not been rising. Restrictions would hurt Argentina, Uruguay, Paraguay, and Brazil.

8. No such provision.

The House bill and its effect

4. Date of imposition of quota: Only after Secretary of Agriculture has estimated for a future calendar year that imports will be 110 percent or more of the quotas plus allowed growth. Then the President shall proclaim the quota limitation.

We can avoid violation of our agreements with Australia, Argentina, and Ireland.

We can hope to avoid retaliation which would hurt agricultural and industrial exporters.

We could hope to avoid hurt to these allies by having time to work out new agreements with them.

We could avoid imposition of quotas until our Kennedy round negotiations are completed. We would have time to negotiate new voluntary agreements on meat imports in the Kennedy round (or collateral to it).

The provision requiring the estimate to be 110 percent allows some leeway so that the whole machinery of quotas will not have to go into effect just because an estimate is a few percentage points above the allowable imports.

5. Safety clause: The President may suspend or increase the quota if:

(a) required by overriding economic or national security interests (giving special weight to the well-being of the livestock industry);

(b) meat imports are inadequate to meet domestic demand at reasonable prices;

(c) the policy of the act is carried out by trade agreements.

6. No requirement.

7. Not covered.

No harm to U.S. producer. No harm to supplying allies.

8. Regulations: Secretary of Agriculture is authorized to issue regulations to prevent circumvention of the purposes of the act.

Since canned and processed beef is not covered, this assures the cattle industry the quota will not be circumvented, for example, by freezing beef in cans.

Mr. EVINS. Mr. Speaker, I wish to commend the gentleman from Arkansas, the distinguished chairman of the Committee on Ways and Means [Mr. MILLS], for bringing to the House this conference report on the bill (H.R. 1839). It is a report that makes a constructive contribution toward the solution of a very difficult problem.

I want to associate myself with the gentleman from Arkansas, Chairman MILLS, in the resolution of this issue, and to assure him of my support of the course our conferees have recommended to bring needed relief to our American beef cattle farmers, stockmen, and beef producers.

I favor the principle of reciprocal

trade, but no trade policy is sound or fair unless it takes into full account the general welfare of our own economy. What is required is the kind of balanced consideration that has guided the authors of this conference report.

The amendments to this bill recommended by the gentleman from Arkansas, Chairman MILLS, and the other House conferees are fully warranted by the critical situation existing in our important cattle industry.

The proposals contained in this report are well designed to substantially ameliorate conditions that have disturbed and distressed one of our country's major industries. I support this legislation in the public interest.

Mr. ICHORD. Mr. Speaker, I believe that the quota on meat imports authorized by the Senate amendment to H.R. 1839 is a very important restriction and one which will tend to solve a long-term problem of the domestic beef industry in the United States. The economic losses being incurred by cattle feeders and producers are not to be minimized and certainly there is every reason to believe such losses will rise to even greater heights unless a remedy is found very soon. We cannot continue to import large quantities of a product which we raise domestically in such abundance. The economy of the agricultural industry will be even more disastrous if we do not enact H.R. 1839. I urge adoption of the conference committee report.

It is not the intent or purpose of the cattlemen to completely cut off imports of meat and meat products, but I agree with the industry that the proposed quota system would provide the only recognizable method for fair competition between our producers and foreign producers.

The beef-cattle industry is the very basis of a sound and healthy agricultural economy. If the beef cattle industry were destroyed, the whole agricultural economy would disintegrate because approximately \$20 of every \$100 of agricultural income stems from the sale of cattle or calves. The beef industry has experienced tremendous growth since 1940. In 1940 the gross income from the sale of cattle and calves amounted to only \$1.4 billion. In 1963, the income was \$8.3 billion, an increase of \$7 billion which emphasizes that the beef industry is exceedingly important to the whole economy of the United States and any development which adversely affects the beef-cattle industry will be felt throughout the entire structure of our economy.

The recent agreements of Australia and New Zealand are not realistic approaches to a solution of our problem, and will be ineffectual, to say the least. Such agreements cannot present lasting solutions. The imports should have been limited to an average of the years 1958-63 so as to take in the low years of imports instead of basing the agreements on the highest years' average.

And these agreements are completely opposite to the way these countries treat the United States. Australia, the largest exporter of beef and veal and mutton to the United States, prohibits imports of cattle and sheep and hogs and pork prod-

ucts from the United States under health restriction. New Zealand prohibits imports of most meats and packinghouse products. Ireland restricts all livestock and meat products by import license and its tariffs are extremely high.

The last agricultural census showed that we had about 4 million farms in the United States and 2½ million of those farms had cattle and calves upon them.

These farms use 1 billion acres of land in pasturing those cattle. One billion acres of pastureland. We do have a huge production plant. There is absolutely no doubt about the ability of the American cattle farmer to produce to fully supply America's beef requirements.

Argument has been presented that imports are not the cause for the recent depressed market for fed beef. This is ridiculous. Much of the imported beef is used as roasts and lower grade steaks and is in further competition with fed beef because about 20 to 25 percent of the carcass of the fed beef is used as ground beef. These imports have depressed the price of beef at least by \$3 to \$4 per hundredweight and the situation can only get worse, not better, if something is not done.

After much concentrated research and study I am convinced that our only solution is to establish a system of import quotas to a volume that would not unduly affect prices on the U.S. market.

The record will show that we imported enough beef last year to feed the entire population of the United States for a full month. We did this when we had enough beef domestically produced to fill an entire year's supply, and more.

We in the Congress cannot let these imports destroy a vital industry to our Nation's economy. To permit the American livestock industry to succumb to lower levels as a result of excessive imports would be to arbitrarily precipitate a condition which would further ravage an already "sick" industry.

Mr. Speaker, adoption of the conference committee report is imperative.

Mr. COLMER. Mr. Speaker, a few days ago I presented the rule which

would send this bill to conference. At that time I made some rather extended remarks on the parliamentary situation with which we were confronted. I called to the attention of the House that if I had any thought that the Senate amendment would do the job that it was claimed it would do, I would ask the House to vote down the previous question and adopt an amendment which would agree to the Senate amendment and send the bill to the President without further congressional action. But I then pointed out that due to the national emergency clause in the Senate amendment, the Senate amendment was meaningless and inoperative.

Therefore, I suggested that the House adopt the resolution and send the bill to conference. This suggestion was based upon the statement of the distinguished chairman of the Ways and Means Committee, the gentleman from Arkansas [Mr. MILLS], that he would use his best offices in conference to work out something that would give the needed relief or at least some relief to the cattle people.

Mr. Speaker, I have studied this report of the conferees as fully as I have had an opportunity to do. And, I regret to say that due to the provisos in the conference agreement giving the executive department the power to make the agreement inoperative under certain circumstances, it is my conviction that there is little hope for relief from these imports in the bill. However, Mr. Speaker, we are confronted with a situation where we either vote for the conference report, with the hope that the desire of the Congress for some relief will be recognized by the executive department, or we have nothing. Therefore, I am voting for the report.

Mr. SMITH of Iowa. Mr. Speaker, the formula in this bill provides that when domestic production increases and imports would be less needed by consumers and do more harm to producers, the supply of imports can increase. When the domestic supply reduces and imports could increase, the supply that can be imported is reduced. This is an upside

down formula that works the wrong way for both consumers and producers. This makes it more sure that the President will have to suspend the quotas.

So all this legislation really does is to embarrass our negotiators and risk loss of agricultural markets. It is likely to set off a round of trade restrictions that can do nothing but reduce our exports and we now export 60 percent of our wheat, 40 percent of our beans, 50 percent of our rice and 20 percent of our Iowa corn. Iowa alone exports \$250 million worth of farm products. The best way to solve the agricultural problems is to find markets for our idled acres rather than reduce sales for these products. Decreased exports of feed grains would mean that more grain would need be fed in the United States and this would really produce excess supplies of meat.

Australia seems to be a target for many comments. They exported \$300 million worth of goods to the United States last year and purchased \$600 million worth from us. Twenty-three percent of all their imports came from the United States. Our purchase from them amounted to \$1.50 per person in the United States while their purchases from us amounted to \$55 per person and included a great deal of farm machinery. Reduction of their purchases from the United States would mean reduced employment at such places as Charles City, Iowa, Des Moines, Iowa, and Racine, Wis., where farm machinery is under production that will go to Australia unless they reduce purchases from us. Unemployed people do not buy enough meat to help cattle markets. The Republican ranking member on the committee said the quotas will not go into effect, which means that the principal thing the bill is likely to do is to be interpreted as a slap by the United States, causing such countries as Australia to turn to Canada or other sources of supply.

If this bill passes, the long list of quota bills now pending before the Ways and Means Committee can expect consideration. A list of these bills is as follows:

IMPORT QUOTA BILLS OTHER THAN ON MEAT

Alphabetical list of Members of the House who have introduced bills now pending before the Committee on Ways and Means which would impose import quotas on products other than meat

Author	Bill No.	Item	Author	Bill No.	Item
Abele, Homer E.	H.R. 8823	Residual fuel oil.	Clausen, Don H.	H.J. Res. 404	Softwood lumber.
Ashbrook, John M.	H.R. 8890	Do.	Colmer, William M.	H.R. 1775	Hardwood plywood.
Aspinall, Wayne N.	H.R. 6269	Lead and zinc.	Curtin, Willard S.	H.R. 9860	Lead and zinc.
	H.R. 9855	Do.	Dent, John H.	H.R. 8619	Residual fuel oil.
Baker, Howard H.	H.R. 8614	Residual fuel oil.	Denton, Winfield K.	H.R. 8621	Do.
	H.R. 11627	Lead and zinc.	Edmondson, Ed.	H.R. 6371	Lead and zinc.
Baring, Walter S.	H.R. 9890	Do.		H.R. 9856	Do.
Battin, James F.	H.R. 9943	Do.		H.R. 8620	Residual fuel oil.
Bennett, Charles E.	H.R. 7181	Softwood lumber.	Fallon, George H.	H.R. 8952	Do.
Bennett, John B.	H.R. 8019	Iron ore.	Flood, Daniel J.	H.R. 8622	Do.
Berry, E. Y.	H.R. 6271	Lead and zinc.	Gray, Kenneth J.	H.R. 8623	Do.
	H.J. Res. 257	Softwood lumber.		H.R. 9970	Lead and zinc.
Bow, Frank T.	H.R. 8615	Residual fuel oil.	Hall, Durward G.	H.R. 6276	Do.
Bray, William G.	H.R. 8616	Do.		H.R. 9907	Do.
Brotzman, Donald G.	H.R. 6393	Lead and zinc.		H.J. Res. 288	Softwood lumber.
	H.R. 9895	Do.		H.J. Res. 258	Do.
Burton, Laurence J.	H.R. 6275	Do.	Hansen, Julia Butler	H.R. 9881	Lead and zinc.
	H.R. 9859	Do.	Harding, Ralph R.	H.J. Res. 259	Softwood lumber.
	H.R. 8617	Residual fuel oil.	Harrison, William Henry	H.R. 8624	Residual fuel oil.
Byrnes, John W.	H.R. 7436	Lead and zinc.	Harsha, William H.	H.R. 8653	Do.
Chenoweth, J. Edgar	H.R. 6408	Do.	Hays, Wayne L.	H.R. 8613	Do.
	H.R. 9863	Do.	Hechler, Ken	H.R. 8625	Do.
Clark, Frank M.	H.R. 6323	Do.	Herlong, A. S., Jr.	H.R. 4175	Thermometers.
	H.R. 9861	Do.			
	H.R. 8618	Residual fuel oil.			

Footnote at end of table.

Alphabetical list of Members of the House who have introduced bills now pending before the Committee on Ways and Means which would impose import quotas on products other than meat—Continued

Author	Bill No.	Item	Author	Bill No.	Item
Horan, Walt	H.R. 9864	Lead and zinc.	Perkins, Carl D.	H.R. 8635	Residual fuel oil.
	H.R. 6270	Do.	Price, Melvin	H.R. 8636	Do.
	H.J. Res. 256	Softwood lumber.	Pucinski, Roman C.	H.R. 587	General quotas.
Huddleston, George, Jr.	H.R. 8626	Residual fuel oil.	Quillen, James H.	H.R. 9870	Lead and zinc.
Ichord, Richard	H.R. 7100	Lead and zinc.		H.R. 8211	Do.
	H.R. 11006	Do.		H.R. 10014	Do.
Jarman, John	H.R. 10438	Residual fuel oil.	Reld, Charlotte T.	H.R. 8637	Residual fuel oil.
Jennings, W. Pat.	H.R. 8627	Do.	Rhodes, George M.	H.J. Res. 291	Softwood lumber.
Johnson, Harold T.	H.R. 6277	Lead and zinc.	Rivers, Ralph J.	H.R. 8638	Residual fuel oil.
	H.R. 9857	Do.	Rooney, Fred B.	H.R. 8639	Do.
	H.J. Res. 260	Softwood lumber.	Roudebush, Richard L.	H.R. 1139	General quotas.
Kee, Elizabeth	H.R. 8268	Residual fuel oil.	St. George, Katharine	H.R. 4341	Residual fuel oil.
King, Carleton J.	H.R. 10442	General quotas.	Saylor, John P.	H.R. 8640	Do.
King, Cecil R.	H.R. 10545	Lead and zinc.		H.R. 9872	Lead and zinc.
Langen, Odin	H.R. 9388	Agricultural and forestry goods		H.R. 9003	Residual fuel oil.
Lloyd, Sherman P.	H.R. 6340	Lead and zinc.	Secrest, Robert T.	H.R. 9879	Lead and zinc.
	H.R. 9862	Do.	Senner, George F., Jr.	H.R. 819	Residual fuel oil.
McDade, Joseph M.	H.R. 8630	Residual fuel oil.	Siler, Eugene	H.R. 8641	Do.
McIntire, Clifford G.	H.R. 6746	Agricultural and forestry goods.		H.R. 125	Petroleum, residual fuel oil.
	H.J. Res. 307	Softwood lumber.		H.R. 7900	Lead and zinc.
Mathias, Charles McC., Jr.	H.R. 8629	Residual fuel oil.		H.R. 9867	Do.
May, Catherine	H.J. Res. 261	Softwood lumber.		H.R. 8681	Residual fuel oil.
Montoya, Joseph M.	H.R. 6278	Lead and zinc.		H.R. 8642	Do.
	H.R. 9865	Do.		H.R. 8643	Do.
Moore, Arch A., Jr.	H.R. 8632	Residual fuel oil.	Slack, John M., Jr.	H.R. 822	Shrimp.
Morgan, Thomas E.	H.R. 1667	Do.	Staggers, Harley O.	H.R. 6439	Lead and zinc.
	H.R. 8612	Do.	Thompson, T. A.	H.R. 9868	Do.
Morris, Thomas G.	H.R. 6272	Lead and zinc.	Thomson, Vernon W.	H.R. 11677	Do.
	H.R. 9871	Do.	Udall, Morris K.	H.R. 6857	Do.
Morton, Rogers C. B.	H.R. 8631	Residual fuel oil.	Ullman, Al.	H.R. 9869	Do.
Multer, Abraham J.	H.R. 527	Chocolate, confectionery.		H.R. 7082	Agricultural and forestry goods.
Natcher, William H.	H.R. 8633	Residual fuel oil.		H.R. 10950	Dairy products.
Norblad, Walter	H.J. Res. 262	Softwood lumber.		H.J. Res. 265	Softwood lumber.
Nygaard, Hjalmar C.	H.J. Res. 263	Do.		H.R. 8680	Residual fuel oil.
O'Brien, Leo W.	H.R. 6343	Lead and zinc.	Whalley, J. Irving	H.R. 6274	Lead and zinc.
O'Konski, Alvin E.	H.R. 3723	Hardwood plywood.	White, Compton I., Jr.	H.R. 9858	Do.
Olsen, Arnold	H.R. 6723	Lead and zinc.		H.R. 9278	Residual fuel oil.
	H.R. 9866	Do.	Wickersham, Victor	H.R. 6784	Lead and zinc.
	H.R. 8634	Residual fuel oil.	Widnall, William B.	H.R. 9880	Do.
	H.J. Res. 281	Softwood lumber.			
Pelly, Thomas M.	H.J. Res. 264	Do.			

NOTE.—The above list is of quota bills only. It does not include the authors of some 400 tariff bills, the majority of which would impose higher duties on a variety of products, which are pending before the Committee on Ways and Means.

Lobbyists for various other items have been looking for a breakthrough and this would reduce total exports. Last year our exports totaled \$22 billion and imports totaled \$17 billion of products which we produce in the United States. We export three times as many as we import. Reducing imports to United States would reduce exports from the United States even more. Over two-thirds of the imports to the United States are products we do not produce.

Some people now say this bill is designed only to affect cow meat prices. Six months ago when the drive for this bill started, cow meat was above world market prices in the United States and were not below average cow meat prices in United States but Choice cattle were lower. Then they blamed imports for the Choice cattle problem. Choice cattle today sold for \$26.25 per hundred in Chicago compared to \$20.50 last June. So now, they change the argument. We have had entirely too much politics and emotionalism and not enough sober thought and analysis on this bill.

If the negotiations going on in Geneva fail, we will need an effective set of laws—not this kind of legislation.

If our negotiators would approve this kind of agreement, the same people who are pressuring for this bill would practically call our negotiators traitors. If they cannot negotiate a better agreement for U.S. interests than this bill, they will have failed.

I am convinced this bill is bad for U.S. interests and especially Midwest agricultural interests.

Mr. SIKES. Mr. Speaker, it is distinctly encouraging to note that legislative relief for the problem of beef imports into the United States is now at hand. This legislation has survived a long and circuitous route. It has been threatened with Presidential veto; it has run the gauntlet of a hostile State Department which apparently cannot look upon the problems of the American producer with concern; it has survived parliamentary delaying tactics inspired by those who oppose the proposal.

The fact is that beef prices to the producer are down. A principal source of revenue to a great many American farmers has been severely cut. Imports of cattle have grown significantly since the market was first tapped by foreign producers, and each year as imports have grown a corresponding number of American cattle were not sold or disposed of.

This simply means a reduced standard of living for the American farmers who depend wholly or in part on beef cattle for their revenue. Since relief is not forthcoming from those responsible within the Government, the Congress has no choice but to take the matter into its own hands. My only quarrel with this legislation is that it has not been enacted earlier. Sometimes, it seems impossible for our Government to comprehend the fact that other countries zealously guard the interests of their own people. This is proper, but our Government has an equal responsibility to guard the interests of American producers in whatever field they may work. That is the situation

which requires the enactment of protective legislation today.

Record level imports combined with high domestic production have sent the prices of domestic beef to dangerously low levels, causing millions of dollars of losses to our Nation's economy. Florida's beef cattle producing industry, one of the most important to our State's economy, has been very adversely affected. Amazingly, much of the import problem has been brought about through the use of foreign aid to stimulate cattle production in other countries.

In 1963 imports of beef and veal amounted to well over 1½ billion pounds or roughly 11 percent of our total production. Converting these imports to live cattle equivalents, they amount to over three million head of cattle or roughly four times the total beef cows in the State of Florida, on January 1, 1964. Had these cattle been produced in the United States, they would have consumed many millions of pounds of feed grains, thus relieving some of the storage cost to the Government, not to mention the contributions they would have made to the local and State economies.

In 1957 imports of beef and veal on a carcass weight equivalent basis was only 376 million pounds and had risen to 1,679 million pounds, an increase of over four times as much in only 6 years. Paradoxically, the United States is the biggest producer of beef and veal; yet in 1963 we imported over 56 percent of the total exports of beef and veal in world commerce. We have the highest dollar

market in the world for beef and veal, and the lowest degree of tariffs of any of the major beef producing countries.

Historically, the cattle industry has been able to cope with the cattle cycle, but we have never had the combination of record domestic production and record imports. Certainly, it is time that this country recognizes that in order to meet our many commitments at home and abroad we must maintain our basic industries, of which cattle is one. Other countries afford reasonable degrees of protection from unfair competition from abroad and the cattle industry requests no more or less than this. A realistic policy should be our guide and equity our goal in international trade.

In view of the concern of the Federal Government at the present time for the unemployment and poverty problems which are interrelated, I should think the efforts of Congress to protect American producers would be welcomed and strongly supported.

I would hope that in the months ahead in addition to providing the legislative relief that is needed to create fixed import quotas, there will be a firm review of the inspection procedures at port facilities with a view to establishing a method of firmer control over distribution of beef imports; that there will be a careful examination of requirements for handling, slaughtering, processing of meats in foreign countries; and that there will be a careful review of benefits such as special tax situations or transportation rebates on beef imports. It is known that quality standards are much more relaxed in most foreign countries than in our own. A lack of vigilance on our part can mean the admission of inferior or of unsanitary products, or even the introduction of dangerous disease and insect pests.

A correction of the present situation will strengthen the American market for beef, will encourage a resumption of expenditures for improvements on cattle farms, will expedite the acquisition of needed equipment and the employment of additional personnel. There will be stabilization of the entire beef cattle industry. It is an industry which is much too important to the American economy to receive the cavalier treatment heretofore accorded it.

To those who are concerned that a restriction on beef imports would result in higher prices for the consumers for quality beef, let me say that it has been made unmistakably clear that prices to housewives in the markets have varied but little in recent years, and there is no indication that import quotas would result in higher prices to the consumer. It is important to note that the American housewife would be better insured of a quality product for the price she is paying than at present.

Cattlemen generally feel that they cannot survive unless some action is taken to provide protection from foreign competition. The action here is fully justified. Perhaps even more significantly, it creates an important precedent for action by the Congress when American producers and American workmen have their sources of livelihood threatened by foreign competition.

Mr. DORN. Mr. Speaker, may I repeat, some years ago kangaroo meat was imported into the United States from Australia and sold in the great State of Pennsylvania as hamburger meat. At that time I placed in the CONGRESSIONAL RECORD an article entitled, "Are You Jumpy These Days." Then, not long ago, I noticed that horsemeat was being imported from abroad and being sold in Ohio for ground beef. I say the consumers should be protected from such fraud.

If the American consumer has been eating kangaroo meat from abroad, it is entirely possible that he has been eating mule, donkey, billy goat, and there is no telling, Mr. Speaker, what other kinds of animals have been imported into our country and labeled as ground beef and sold to our housewives.

Some of the dear ladies who have been by the office demanding cheap meat for the consumer might well ponder the possibility that they have been eating spaghetti sauce or meatballs made from kangaroo or donkey.

Mr. Speaker, I only call this to the attention of the House in order to prove how easily our Nation can be flooded with anything foreign.

If the American cattleman would take his cattle and give them away at the auction barns, there would be little difference in the price the consumer would pay in the great cities of Chicago, New York, Philadelphia, Boston and the other large cities of this country. The American cattle farmer receives only a few cents a pound for the choice cuts of steak, roast, and ground beef sold to the housewives of the large cities. At the present time, the cattlemen are receiving nothing at all from the sale of their cattle. They are giving them away at a loss. It is the processing, the packing, the transporting, the rent and labor costs that are being passed on to the housewife.

Mr. Speaker, go with me to the sale barns of this country any day, and I can show you cattle being sold for 7, 8, and 9 cents per pound on the hoof, and some of the better grades for only 17 and 18 cents—cattle that costs the cattleman 25 cents per pound to place on the market. If this trend of falling cattle prices to the cattlemen continues, it could lead to Government controls of the production of cattle and price supports; and then my good friends in the large cities would howl with the resulting increases in prices to the consumer. Limiting imports of cheap grades of beef and other meats sold for beef is the best protection the American housewife has against cheap products and high prices.

In the lifetime of even the young Members of this House, we have seen our farm population dwindle from 35 to 40 percent of the total population down to around 10 percent today. A smaller portion of our population now lives on the farm than in any major civilization of the world. This is dangerous to our very way of life and our very form of government.

The raising of livestock accounts for more than 50 percent of the income of the American farmers. It is free of price supports and Government controls.

Mr. Speaker, let us keep it that way by restricting the foreign, slave-labor imports of beef. This bill is a step in the right direction and I will support it.

Mr. MONAGAN. Mr. Speaker, I oppose this legislation. No one in this Congress desires more than I to lend an attentive ear to the demands of American businessmen who claim injury through an abnormal volume of imports.

At the same time, this Congress, 3 years ago, through the trade bill, declared as its policy a reduction of tariff barriers and an increase in freedom of international trade.

In the trade bill, the Congress also took away the traditional procedure for relief which was provided by the "escape clause" and the "peril point" section.

Now we are met with a unilateral attempt to repeal this legislation for the benefit of one industry.

I do not dwell now on the validity of the meat industry's claim for relief. Neither do I emphasize the undoubted price increase which will flow from this bill and its effects on the lower strata of our population. I also pass over the potentially damaging effects on countries such as Argentina, Australia, and New Zealand, whom we are in various ways trying to assist.

My main question is, Why should there be discrimination among industries? We have seen the harmful effects of imports in the watch industry, the bicycle industry, the rubber footwear industry, and the needle industry, to mention only a few. If we are to consider relief by the application of quotas or otherwise, let us extend it to all industries equally and not limit it to those which are related to the farm.

This is highly discriminatory legislation and I oppose it.

Mr. HALPERN. Mr. Speaker, in my view the conference report has not removed the danger of the Senate amendments to H.R. 1839. Under the new set of provisions, circumstances could still produce the automatic imposition of quotas. And I am not convinced that in future periods these circumstances will warrant the application of quantitative restrictions.

The fact remains that, despite the acceptance of a growth formula in the conference report, the maximum amount of specified meat articles permitted into the United States after December 31, 1964, is set at 725,400,000 pounds annually. This is in reality a quota-quota. Any set figure such as this is arbitrary.

The quota may or may not be applied, dependent upon an equally arbitrary percentage formula. A base period of years is prescribed, and future figuration, no matter how fundamental the changes in world production, trade patterns, and consumption, is inevitably computed on this base period.

In essence, although the wholly injurious character of the Senate proposals is somewhat modified, the essentials are not altered. I remain unconvinced that conditions prevailing in the cattle industry warrant this preferential treatment. In my estimation most of the arguments against the Senate amendments are still relevant.

The price decline experienced by the cattleman is not substantially enough related to imports in order to justify a remedy as damaging, and as consequential as quantitative restrictions.

I was and remain vigorously opposed to the measure adopted by the Senate.

The Tariff Commission in its report to the Senate Finance Committee listed a number of other relevant considerations. The slump in beef prices can be attributed to increases in cattle, increases in the size of beef animals, the availability and comparatively lower cost of other meat, and increases in the number of animals slaughtered. These, and quite possibly other factors, have caused the prices of choice fed steers at Chicago to drop in 1962 and again in 1963. Imports may have played a role, but it would be foolhardy to strike back drastically at this element merely because it represents the easiest remedy from the domestic point of view.

To oppose the imposition of tariffs or quotas does not mean that I am unsympathetic to the cattle industry and its evident distress. Means must be found whereby the industry can regain its health, but not at the expense of other economic sectors and not at the expense of damaging this country's position in the forthcoming trade negotiations which, if successful, can mean growth and prosperity to the whole stage of American industry, including agriculture.

Last February, the voluntary meat agreements with Australia and New Zealand were announced. These two countries are the principal suppliers of beef to this country. Australia agreed to limit its exports of beef, veal, and mutton to the United States. Exports to this country this year will reflect the average level reached during the 1962-63 period.

It is evident that these accords have already had a strong effect. In the first 4 months of this year, beef imports decreased by 34 million pounds compared to the level of importation recorded over the same period in 1963. Beef and veal imports decreased by 11 percent. Australia advised our Government that shipments of veal, beef, mutton, and lamb in 1964 should drop by 170 million pounds, or 29 percent of the 1963 total.

Testifying before the Ways and Means Committee on June 4, the Secretary of Agriculture stated:

Taking all our suppliers of beef and veal together, it now appears that shipments from these countries destined for the United States in this calendar year will be about one-fourth below 1963.

And in 1963, total imports of beef and veal reached 1.7 billion pounds, representing 9 percent of domestic consumption. Beef imported as live cattle brought imports to 10.7 percent of domestic consumption.

It must be stated that most of our imports consist of low beef quality. The United States produces the finest and choicest beef in the world; but this is not the grade which imports largely consist of. In 1962, imports reached a record level, but cattlemen also received the highest prices for their beef in a decade.

We must acknowledge that most imports are of a quality mainly used for hamburgers, frankfurters, and variety meats. There is no doubt that if import quotas were imposed, consumers in the years ahead would be facing substantial increases in the price of such popular food items.

The Senate amendment did not take into account the potential for growth. Arbitrary computations as provided in the conference report, furthermore, cannot in reality substitute for the free competitive price mechanism, and the growth of consumption cannot be properly estimated. Total beef consumption this year is running 13 percent above 1963. Undoubtedly, with the annual rise in population and other factors, the markets for beef and other meats will continue to grow. Quotas are an inherently discriminatory trade practice which leave no room for such basic realities.

Most important of all, the level of imports thus far suggests that in achieving a scale consistent with the 1959-63 average, the goal of the quota proponents will have been reached. World supply, particularly in Europe, is down. Imports to this country have already been reduced, and our domestic consumption continues to rise.

A further important variable is the forthcoming trade negotiations. It is essential that the United States be in a strong position. We have repeatedly insisted, and rightly so, that the Common Market countries offer a fair and reasonable bargaining on all varieties of agricultural produce. This policy, so important for our whole agricultural community, will be seriously jeopardized if these quotas on meats are imposed; they will put us into an absurd and wholly contradictory situation; they will unquestionably weaken our power to secure meaningful agricultural accommodations from European countries where agriculture is an intensely sensitive agenda item, heavily enmeshed in the hard cold facts of internal politics.

Moreover, meat import quotas are an obvious violation of GATT, to which we have lawfully subscribed. Member countries will have a right to retaliate. This will injure the affected American industries, completely innocent of the whole affair, who will experience the misfortune of an export trade demolished unwittingly.

The simple truth is that American industry, taken as a whole, cannot in the final analysis gain by the imposition of quotas on one product. In the end other interests will suffer. These are the facts of international trade. The irony here is that the legislation, because of other variables, cannot in the long run solve the distress affecting cattlemen. The import level has already fallen to the objective desired through quotas.

I cannot, Mr. Speaker, associate myself with either the immediate or potential imposition of quotas on beef and other meat products. It is a dangerous piece of legislation which, in the final analysis, can do more harm than good.

Mr. ANDERSON. Mr. Speaker, while I shall vote for adoption of the conference committee report on meat imports, I feel

compelled to express a deep personal regret that the conferees did not accept the language that was adopted by the Senate before the Johnson administration was able to water down this bill.

However, being entirely realistic, I must confess that a half loaf is better than nothing at all for I am too well aware of the disinterest on the part of the Johnson administration and its lack of sympathy for the American cattle raisers and some of their pressing problems that have placed the American cattle industry on the brink of ruin.

It is very evident by virtue of this watered down version before us today that the Johnson administration has once again sided against the domestic cattle producer. Mr. Johnson must indeed be proud of the fancy footwork done by his Secretary of Agriculture in carrying out his instructions to "torpedo" the meaningful amendment voted earlier by the Senate.

I am well aware that in accepting this compromise, that the legislative cards have been stacked against those of us who have been waging a continuing struggle to alleviate the ruinous conditions that have been prevailing in the American domestic livestock industry. Press accounts give credit to the Secretary of Agriculture for wielding the scalpel so well that the net result is a watered down version of what was once a strongly worded Senate version which, up until today, offered a real ray of hope for our hard-pressed cattlemen.

I am only surprised that we wound up with any bill at all. Reliable stories were being circulated that the administration wanted to bail out some of its party stalwarts who voted against the American livestock producer when they voted to kill an earlier meaningful meat import restriction measure that was offered and supported so unanimously by Senate Republicans. These reports called for giving those Democratic Senators another chance to get off the hook on which they placed themselves by supporting the Johnson administration in voting against the American livestock producer. The idea was for the Senate to pass a restrictive meat import bill as an amendment to one already passed by the House of some minor proportion. Then the bill was to be killed in conference or at a minimum, the meat import amendment was to be removed, so that when the measure reached President Johnson's desk, he would not have to show again his hand that he could care less as to what happened to the American cattleman.

Naturally, in the face of the many cries of the minority Members here in the House of Representatives that this foul play was underway, the administration's cards had to be played a little differently. But the net result, in my estimation, comes out the same; namely, that this bill is not going to change much of anything. It leaves too much to the discretion of the President and his Secretary of Agriculture. We already know what their attitude happens to be. They would not do anything that might hurt their foreign friends, even if it meant restoring to American

farmers the former vigorous economy that prevailed for much of the domestic cattle industry before cattlemen were beset with the disastrous effects that fell upon them as a result of these excessive meat imports.

Mr. Speaker, thanks to President Johnson and Secretary Freeman, even if they enforce the provisions of this bill, the watered-down version calls for allowing continued heavy foreign importations of Australian and New Zealand meat at a rate that is 185 percent over and above the already high rate of meat importations from these two countries that existed back in 1961.

As a further example of the handiwork of the Johnson administration, I need only point out to you that President Johnson and Secretary Freeman have once more guaranteed in this measure to foreign exporters, just as they did in the secret Executive agreement they negotiated, a fixed share of the growth of our domestic consumption by the formula set forth in the language of the conference report.

I never cease to be amazed by the inconsistent attitude of the administration which on the one hand will express the hope that our domestic economy will continue to expand, but on the other hand, they tell us that any expansion in the agricultural economy through increased domestic cattle production is taboo. If the American farmer must increase his production to meet rising costs and more competitive conditions, the administration says this is wrong but at the same time, it proposes in the language of this measure to set forth a mathematical formula which, for all intents and purposes, guarantees to Australia and New Zealand a fixed share of our domestic economic growth.

Mr. Speaker, I think it is about time that the administration gave up its designs to place the American cattleman in a regimented economy. And I think it is high time that the administration recognized that livestock raising accounts for a substantial portion of farm income. One need only take note of the fact that the farming population in the United States has seen an actual net farm income drop of \$340 million from 1962 to 1963 and a further drop of about \$650 million expected in 1964. This will put net income for the current year \$92 million below the last Eisenhower year—even though there has been an increase of more than \$1 billion in Government payments to farmers. How much longer can the Johnson administration deny the fact that these are crucial times for the American domestic cattle raiser?

Mr. FISHER. Mr. Speaker, I appreciate the gentleman's explanation of why lamb was omitted. It is true that percentage-wise, as the gentleman has pointed out, the case for inclusion of lamb may not appear to be urgent. At this point, since the report is not subject to amendment, debating the issue relating to lamb would serve no useful purpose.

The gentleman from Arkansas has made it clear that had the imports of lamb been comparable to that of beef, percentage-wise, his position and that of

the conference would have been different. For the record I do want to register my disappointment that lamb was not included, and briefly set forth my reasons.

Even though lamb is now coming in at an average annual rate of about 2½ percent of our consumption, that does not tell the entire story. It has been higher in the past, and we may expect it to increase in the future. In fact, only a few years ago the rate was on the order of 3½ percent.

What we do know is that during the past 6 years lamb imports, in various forms, have increased by 860 percent.

We also know that Government statistics confirm the fact that there has been a marked decline in lamb prices during the years of excessive imports.

We also know that our cost of production is twice as much as it is in the countries that export this lamb to this country.

Mr. Speaker, along with others I brought these facts to the attention of the conferees, along with other pertinent reasons. I further pointed out that since most of this meat comes from New Zealand and Australia, protecting beef but not lamb may be expected to stimulate an increase in lamb exports, to help offset any loss in beef exports.

I also pointed to the fact that in 1960 the Tariff Commission held extensive hearings under the escape clause with respect to lamb imports. Two of the members of that Commission filed a minority or dissenting report, holding that evidence proved substantial damage to our domestic lamb industry and they recommended a quota and import fee to offset this.

The conferees were also informed that lamb feeder organizations report that many lamb feeders have gone out of business because of imports. This has served to reduce outlets to consumer trade because the bulk of lambs are fattened by these feeders before marketing. Imports and threat of imports serve to disrupt normal marketing processes, making feeding operations hazardous and less profitable. Faced with no limitation on imports the industry is plagued by constant danger of seasonal upsurge in these imports which can—and has in many instances—been disastrous to our feeders as well as growers.

In other words, the lamb industry is damaged not only by a sudden upsurge in imports but also by the danger and the threat—which hangs over the market—of dumping operations which, at a critical time in the marketing, could drive domestic lamb prices down substantially. The real danger and damage is simply not reflected in the relatively low percentage figure of 2½ percent of our annual consumption.

Mr. Speaker, again I wish to commend the conference committee, even though I regret the omission of lamb and some other changes in the measure. But it was a compromise and the subject is controversial and difficult. The result is certainly better than nothing, and may indeed prove to be quite beneficial. The enactment of this law should add stability to the beef and mutton industry in this country.

Mr. VANIK. Mr. Speaker, I want to take this opportunity to oppose this conference report which would have the effect of imposing import quotas on certain meat and meat products.

This legislation is certain to result in higher prices to the consumer. The controlled import levels would raise the prices of both domestic production as well as that part of import qualified to enter our markets.

It is a nice scheme of price control at higher levels. American meat production should be able to compete with foreign production because of the countless Government aids and supports which contribute to meat production.

Although it is true that cattlemen are having special problems resulting from this year's production, these problems are related to internal market conditions and marketing excesses. It is foolhardy for this Congress to legislate under circumstances unique to this year's business. There is not sufficient evidence to attribute these problems to the low levels of import which have not been proved to be a permanent market-factor.

Under these circumstances, we are legislating a price windfall to cattlemen both here and abroad who have larger profits to reap from a controlled marketing economy.

Mr. CLEVELAND. Mr. Speaker, I wish to associate myself with the remarks of my distinguished colleague, the gentleman from Missouri, Congressman CURTIS, and others who oppose adopting this conference report. Although I feel the beef industry may be entitled to some relief from a flood of imports, I strongly oppose relief being granted to but one section of our country and but one section of our economy in this manner.

For more than 3 years, the administration has solemnly promised to the wool manufacturers of America that quotas or quantitative restrictions on the import of wool manufactures would be granted. Although similar relief was given to cotton—plus outright subsidies in the wheat-cotton bill—promises to the wool manufacturers have been flagrantly violated.

It seems strange that a vital industry, such as wool manufacturing still is in spite of its trials and tribulations, is not being granted relief that has been promised, and all of a sudden the beef interests are given protective quotas. It is my understanding there are more than 200 quota bills in the Ways and Means Committee but none of them are being acted upon. Perhaps the best explanation behind this interest in protecting beef while ignoring such critical and important industries as the wool manufacturing industry, the fisheries industry, the textile industry, the shoe industry, the electronic industries to mention a few is that beef is of particular importance to the State of Texas. It appears that this legislation bears an unmistakable brand.

The all too brief debate that we have been allowed here indicates that this legislation will not even be of much help to the cattle industry. If so, it is indeed a hoax on the cattlemen. If not, then it is certainly a hoax on the consumer who once again is being victimized

by the very administration that keeps prating about measures to protect the consumer. The steadily rising price of coffee, sugar, and bread may now be matched by further increases in the price of meat to the consumer.

In addition, it should be pointed out that this legislation is also discriminatory in that it fails to protect the poultry and dairy industry. Although the cattlemen may be entitled to relief, it is unfair to single them out in this manner at a time when many industries throughout the Nation, and in New England, in particular, are in need of sound and sensible relief from excessive imports. As I have said before here in the House, our tariff structure should be reformed to reflect wage differentials between our Nation and those with whom we compete. In addition, our tariffs should reflect and take into account subsidies—direct or indirect—given by foreign governments to manufacturers who export to the United States. Wage differential and subsidy factors are needed to make our tariff structures more meaningful and constructive and to thus foster and increase healthy and fairly competitive foreign trade.

Mr. HARDING. Mr. Speaker, I take the floor of the House today to urge my colleagues to join with me in voting for the conference report on the measure before us, H.R. 1839, which would limit cattle, goat, and sheep imports into the United States.

I regret there is need for this legislation. However, I do not feel that the agreement reached earlier by the State Department with Australia and New Zealand has gone far enough in limiting importation of these meat products.

For this reason I personally introduced two bills which would establish import quotas and protect the domestic livestock industry of our great Nation.

While the bill before us today is not as extensive or as strong as the measures I introduced, nevertheless, I feel it is a step in the right direction and intend to give it my full support.

There are those today we have heard state that there is no reason to pass this legislation—that our livestock producers are not in need of this type of protection.

Let me just quote briefly from some of the letters I have received from Idaho cattlemen.

From Mr. Lowe L. Rudd of the Rudd Hereford Ranch, St. Anthony, Idaho, comes this report:

Here at the ranch we have a triple activity in cattle. We hurt in each phase. I'm selling fat steers for \$50 to \$60 less than I have in them. Our breeding cattle are swinging along the same line. We brought all of our bulls home as did half of the other consigners at the Idaho Falls and Blackfoot purebred sales. People need them but are afraid to buy.

And from Mr. Frank A. Titus, a cattleman from Jerome, Idaho:

Because I live on a farm and feed cattle and because I have just marketed my feeders at a substantial loss, I am real worried about the effects of heavy beef imports into this country. I think that the cattle industry is hurting from an oversupply of cattle on the domestic market and the effects of these imports are just disastrous.

Also from the Heiss Farms at Jerome, Idaho, comes this expression of concern:

As a breeder of Charolais and Charbray cattle I am very concerned over the extremely heavy beef imports into this country and its disastrous effects on the cattle industry.

It is my belief, as well, as other cattlemen, that the only way to save the industry from complete ruin is to put a substantial curb on beef imports from other countries by immediately imposing reasonable quotas on the shipment of foreign beef into the United States.

It is unnecessary for me to point out to my colleagues that approximately one-third of the value of total U.S. farm and ranch production is represented by meat from cattle, hogs, and sheep, and cattle alone accounted for nearly 23 percent of the receipts from farm marketing in 1962.

I do sincerely regret that lamb has been omitted from the provisions of this bill. I feel that is one of the areas in which the bill is weak. Our sheep industry has been shortchanged by the elimination of lamb.

Should this industry continue to suffer from imports and the Congress fail to take remedial action, I predict that not only our agricultural economy but the economy of our entire Nation will suffer.

Mr. Speaker, I urge the passage of this bill.

Mr. FUQUA. Mr. Speaker, I rise in support of the conference report to the bill, H.R. 1839, which I consider singularly important to an important segment of the American economy.

We know that what we are discussing here is the importation of meat and meat products into these United States from foreign lands. The fact that we are importing meats into this country is not of itself bad, but the quantity we are now importing seriously affects our economy, or rather an important segment of that economy.

The continued increase in beef imports, coupled with rising domestic production, has driven the price of cattle in this Nation down to where the American cattleman faces a crisis.

This year alone, approximately 11 percent of all meat consumed in this country will have come from foreign countries. Ranchers in these lands, favored by cheap labor and favorable taxes, seek an ever-increasing share of the lucrative U.S. meat market.

Imports in 1963 were equal to nearly 4 million head of cattle. Import poundage mixed with fat and fatty meats from cattle that was formerly sent to rendering plants, equals 3¼ million head of cattle.

This in itself is a serious matter, but let me point out further that more than 20 billion pounds of feed grains, largely surplus, would have been used if these cattle had been produced in the United States. More than 100 million man-hours of labor would have been required to produce, slaughter, and process these cattle. This represents a labor loss in the United States of \$6 to \$25 per head.

There is a loss of millions of dollars that would have been added to the American economy through associated industries.

We want to trade with foreign lands.

Free trade is essential to all nations, but there must be a limit, there must be reasonable restrictions. The ever-increasing percentage of meats sold in this Nation coming from foreign lands is alarming, such imports should be reduced to a reasonable level.

We should not expect the American cattleman to pay the price for all other agricultural commodities which are exported from these shores. This is a valuable industry, and we need to see that it is allowed to be healthy.

American cattle producers just simply cannot compete with foreign producers and this is not their fault. They must pay heavier taxes, the equipment they must have was made by men paid higher wages than those of foreign producers. A report of five commissioners of agriculture stated that while on April 3, a difference of 1 cent existed between the cost of imported and domestic beef, yet the cost paid by the consumer represented nearly 20 cents per pound of profit for someone. There just is no comparison in the cost of production between the United States and foreign lands.

This measure is a good measure. It will help to maintain a great American enterprise, it will allow for the continuance of a large international trade in meat and meat products. It is a good measure and I urge its adoption.

Mr. CHENOWETH. Mr. Speaker, I rise in support of the conference report on the bill providing for quotas on imports of certain meat and meat products. I wish to state very frankly that I had hoped the conferees would agree to the Senate bill. However, I realize that this is all that we can get at this time. I feel that the passage of the bill as agreed upon is a victory for our domestic livestock industry. We are not getting what we had hoped for, but the passage of this legislation is recognition of the fact that our cattle producers have suffered heavy losses on account of these imports, and at last Congress is doing something to help.

I am disappointed that lamb is omitted from the conference report. It is true that mutton remains in the bill, but our lamb producers are very unhappy over this omission.

As has been stated, it is not certain that any quotas will ever be established on imports of beef, veal, mutton and other meat products, however, the bill does offer some hope for relief. I do not like the provision which gives the President the power to suspend any quotas that might be established. It is possible that our cattlemen are not getting very much under this measure. However, we are taking a step in the right direction by approving this conference report, even though it is much less than what we had expected.

Mr. Speaker, I have been working for sometime to obtain quotas on these imports, and I have several bills pending at this time. I am happy to support this conference report, and I hope the bill as agreed upon will be effective in curtailing these imports of beef and other meat products in the coming years.

Mrs. GREEN of Oregon. Mr. Speaker, I have received communications from

Oregon on the subject of meat quotas. I have given the matter a great deal of thought. I certainly do not regard myself as a doctrinaire freetrader. I believe my voting record will substantiate this statement. However, I have supported extensions of the reciprocal trade act and supported the so-called Trade Expansion Act of 1962.

Mr. Speaker, the inseparable connection between imports and exports is beyond dispute. There have been devastating economic consequences when this country has legislatively attempted to ignore this connection.

Certainly it must be recognized that each major farming State has a vital investment in our agricultural exports. In fiscal year 1963 agricultural exports totaled \$5.1 billion compared to \$2.1 billion worth of competitive or semicompetitive agriculture products we imported in the same year.

During the fiscal year just past this figure may have risen to about \$6 billion. Now, Mr. Speaker, it should be realized that meat and livestock exports are included in this amount. During calendar 1963, such exports carried a dollar value of \$364.2 million—an increase of about \$45 million above 1962. A call to the Department of Agriculture a few minutes ago brought forth the information that through the first 6 calendar months of this year, exports of meats from this country totaled 121.9 million product pounds, of which 25.1 million pounds represented beef.

We cannot expect our negotiators during the "Kennedy round" in Geneva to demand a loosening of the protective wall around the agriculture products of the Common Market countries while at the same time our national assembly is imposing import quotas on meat products.

Thus, if the conference report before us on H.R. 1839 is accepted, the GATT negotiations will be jeopardized. We can most likely expect retaliation from the six countries of the European Economic Community, the Common Market.

The Department of Agriculture in recent months, we may recall, has not been inactive. In early March of this year, Secretary Freeman announced a beef purchase program which has moved upwards of 160 million pounds of beef into channels leading to the needy. Long and short range programs are operating under the newly established National Cattle Industry Advisory Committee. Beef consumption at home is being encouraged as are beef exports. A voluntary import agreement between this country and major exporting countries, such as New Zealand, Ireland, Mexico, and Australia, has been put into effect. Under the impetus of such moves by Secretary Freeman, fed cattle prices, amounting to about \$20.50 a hundredweight in June 1964, rose to \$25 to \$26 at Chicago last week.

Moreover a study of the Tariff Commission, undertaken at the direction of the Senate Finance Committee, shows that rising imports do not necessarily mean falling domestic beef prices. For example, the study sent to the Finance Committee June 30, shows that when im-

ports increased by more than 400 pounds in 1961-62, prices rose. In 8 of the 13 years studied, the volume of imports and prices moved in the same direction rather than in opposite movements.

I suggest therefore that the conferees agreement be turned back.

Mr. GROSS. Mr. Speaker, I will reluctantly support the conference report on the bill, H.R. 1839, which allegedly restricts the importation of beef and certain other meat products from foreign countries.

I have listened carefully to the arguments in support of the conference report and I have yet to hear a legitimate reason why foreign lamb imports are not included under the purported restrictions.

Mr. Speaker, the freetraders in the executive branch of Government, including of course the State Department, have no intention of permitting real restrictions on foreign imports. This includes President Johnson.

The attempt to give at least some protection to American farmers and beef producers has long been a political football and Lyndon Johnson along with his lieutenants in Congress have made it just that. This milk-and-water legislation is a product of their political gimmickry.

I support this legislation only because it is impossible to obtain more effective action. I will vote for it in the hope, forlorn though it may be, that it will provide farmers and cattlemen some measure of relief.

Mr. DON H. CLAUSEN. Mr. Speaker, the matter before us relating to providing relief to our beef, dairy, and sheep industry frankly leaves me with mixed feelings. Every Member of this House, who will hear this problem without consideration for politics must admit to himself that these industries have really taken it on the chin. They are in serious need of remedial legislative action.

The conference report before us in my judgment can only be categorized as better than nothing. I will vote for it only for the reason that it is a step forward—it considers their problem and initiates recognition of the import quota concept as a necessary tool for negotiations as we proceed through this transition of developing free trade worldwide. I am not too optimistic about the financial relief it will provide to the cattlemen. Again, we find ourselves trapped in the position of not being able to amend, it is a take it or leave it proposition.

The administration, the Agriculture, and the State Departments have not given the American cattle, dairy, and sheep producers proper consideration by permitting the flood of imports to disrupt this industry. The lamb problem has been totally ignored.

Again, I want to repeat, I have no thought of jeopardizing the objectives of the trade expansion program but neither will I be silent when our own domestic producers are affected so seriously. The people have paid substantial taxes and have provided many jobs over the years and I can't for the life of me understand why it need be so difficult to establish a workable and equitable formula

of import quotas that would benefit all concerned.

This compromise, as included in the conference report is full of loopholes and opportunities where the administration can back off from taking a firm position to protect our domestic interests. I frankly believe the Congress should have adopted the bill as it left the Senate but there appears to be no alternative. I will reluctantly support this conference report but with a reminder that I will be watching the outcome and the relief to cattlemen in the future, as will many of my colleagues. With this being an election year in the Senate, we have found a lot of Johnny-come-lately friends. It will be interesting to see if this same enthusiasm and interest prevails after the election, should the need arise. For the sake of the cattlemen, I hope they are not the victims of a fast political maneuver. Only time will tell and I do not like to sound pessimistic but I would certainly like to see a stronger bill with less loopholes. I would feel substantially more confident for the future of the cattle industry.

Mr. DUNCAN. Mr. Speaker, I fear that the step the House is about to make is an unwise one and one that the country before long will have occasion to regret. I recognize the political pressures that exist in an election year, emanating from very powerful and articulate economic groups, and fear that those few who share my views of this problem may have occasion even sooner to regret their vote against this bill. Such considerations, however, should not temper our judgment on the merits of the proposal before us.

I shall vote "no" on the conference report. I do so with full acknowledgment of the masterful skill with which the gentleman from Arkansas has compromised the differences between the different parties.

I do so because this bill, in my opinion—shared, I might add by others—does absolutely nothing to relieve the distress of the cattle industry while adding immeasurably to our difficulties in expanding our trade abroad. You need only look at our balance-of-payment figures to realize how important that foreign trade is. You need only note the favorable balance-of-trade figures to realize how important that foreign trade is. You need only look at the figures on agricultural exports to realize that agriculture, more than any other single economic unit in the United States, stands to lose greatly by our failure to expand the export market.

I am not oblivious to the problems of the cattle industry. It is important to the economy of the United States and especially my State. And I am willing to take all proper and necessary steps to help them—Government purchases, changes in grading standards, loans, grants if necessary. But this bill is one that leads exactly nowhere as far as their problems are concerned.

Beef imports are now down to or below the quota called for in this bill. We have heard members of the conference committee tell us this afternoon that the quota system will not be "triggered"

this year, nor next—probably not in 1966 or, indeed ever. Then why pass it?

I have cattle in my district. I also have lumber and the lumber people have been having problems over the past few years—especially with Canadian imports into the eastern markets of the United States. They are handicapped by the provisions of the Jones Act which add to the shipping costs to the advantage of the Canadians. They have been aggressively seeking new markets abroad and, in a measure, are succeeding. Imports of American lumber to Australia are up 24.3 percent the first 6 months of this year over a corresponding period last year and Oregon has a substantial share of that market. Last year they were up 15 percent over 1962. Shipments of lumber to New Zealand from the United States are up 39.1 percent over the first 6 months of 1963. These are two major nations against whom this legislation is aimed. Does Oregon want New Zealand and Australia to raise quotas and keep our lumber out? No. We want to lower their trade barriers to expand our markets to furnish jobs for our lumber industry.

The production and marketing of pears is an important industry in my district. For a long time the industry has been working to break down the nontariff trade barriers imposed by the nations of Western Europe against our pears and other fresh fruit. I have worked on this during my tenure in the House. Very substantial progress has been made by the State Department and we look forward to sharing in a vastly increased export market in pears. More still remains to be done and we are making it vastly more difficult by the action taken here today. Pears mean jobs and income to my district.

The story could be repeated for many different items. Recall, if you will, the outrage which this Congress expressed at the trade barriers imposed by Western Europe against our poultry. Remember, if you will, that our agricultural exports totaled \$5.1 billion in fiscal 1962-63, of which \$3.6 billion was for dollars and the balance food for peace. For fiscal 1963-64 the total is expected to be over \$6 billion, of which \$4.3 billion will be exported for dollars. I repeat, agriculture has a big stake in our foreign trade.

I repeat also my willingness to help the cattlemen. I cannot, however support a bill which will do nothing to relieve their distress and which will do harm to others whom I represent.

Mr. MILLS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. KEOGH].

(Mr. KEOGH asked and was given permission to revise and extend his remarks.)

Mr. BROMWELL. Mr. Speaker, the comment of the gentleman from North Dakota [Mr. SHORT] which referred to Mr. Menzies' recent letter surely points to one of the weaknesses in the conference report.

As a matter of fact, it seems to me that the most obvious weaknesses in the conference report can be found in the

language on page 7 of the "Statement of the Managers," beginning at the eighth line:

If a balance-of-payments deficit were to threaten U.S. fiscal integrity and if the situation could be materially improved by suspending or increasing quotas this would be in the overriding national economic interest. Speaking directly of agriculture, if other importing countries were in retaliation prepared to adopt tight restrictions covering a wide range of U.S. agricultural export products, and if the effect would be to reduce U.S. agricultural exports in an amount disproportionate to gains to the cattle industry, the overriding national economic interest might be served by suspending or increasing quotas.

Now, in the first instance, many Members of this House presently feel that a balance-of-payments deficit currently threatens U.S. fiscal integrity, to the second point, Mr. Menzies' letter speaks for itself. It is conceivable that these two facts under the language of the "Statement of the Managers"—which is after all legislative history of a most authoritative nature—could trigger a series of judgments which could render the law illusory at the very hour of its enactment. Let me remind the House that the language which I have quoted is intended to clarify the language of subsection (d) of paragraph 3 of the conference report and no standards are stated or implied in the act or in the "Statement of the Managers" which illuminate the phrases "materially improve," "tight restrictions," "a wide range of U.S. agricultural export products," "an amount disproportionate to gains to the cattle industry," or, for that matter, surrounding language.

We should not deceive ourselves about these weaknesses but rather recognize that we are for the effectuation of this act resting our outlook on the recurrent judgment of the President and his successors in office which is to say upon the judgment of those who advise Presidents in the first instance.

I also believe, with all due respect to statements made here previously, that the situation with respect to imported lamb is such that we have been in error to exclude it.

I must say, however, that on balance this bill is a most constructive work. In terms of the long future it may prove to be a better bill than one imposing strict import quotas which the other body was willing to impose and which have been acceptable to so many of us for so long. It has seemed to me throughout the past 2 years during which I have been intimately concerned with the progress toward this legislative goal, that our basic responsibility is to lodge control of the situation on this side of the oceans. To be sure, a threat of retaliation can suspend the operation of the law. However, assuredly this bill will not cripple the efforts of our friends with whom we trade. It will not drastically effect current trade practices anywhere in the world. But it does serve notice upon those with whom we trade and it does serve notice, and most earnestly sought notice, to our domestic livestock producers of what the situation will be as time

passes. Our friends will not be invited hastily to overexpand their livestock economy at the expense of the American livestock industry and our domestic producers will have some assurance of stability in the cattle cycle as a guide for capital investment. These seem to be most valuable things. As I have said on this floor before, the protection of the American livestock industry is the responsibility of this Congress. It is not the responsibility of the producers of any other nation. By the passage of this bill we are meeting this responsibility and although our action may have its weaknesses, the balance is on the side of strength and progress and in my opinion this represents a grassroots legislative victory of major proportions.

I congratulate the House conferees on pressing the matter to a conclusion.

Mr. KEOGH. Mr. Speaker, I start off by assuring the membership of the House that no one is more conscious than I of the tremendous job that has been done by the conferees in this obviously difficult and somewhat delicate situation; but, Mr. Speaker, if it is not anticipated that these quotas will ever be imposed, then I raise the question of the propriety of imposing or establishing the machinery by which that can be done, particularly at this time, a most delicate time in the trade negotiations that are being conducted now in Geneva.

This in truth and in fact is a reversal of the trend this Congress has been following since 1935 through all the administrations that have intervened. It is a sorry day indeed when we serve notice on our perhaps declining number of friendly allies that they have to be on the alert in their normal commercial transactions for arbitrary restrictions and limitations that the Congress may with little if any notice impose on them.

I say, Mr. Speaker, this great body in which I have such great confidence should pause now and we should ask ourselves, "What damage, what great and lasting and permanent damage will we be doing to many if not all the segments of our own economy by placating, alleviating, and giving in to a selfish, predatory group which has manifested no concern for our overall national interest and in particular that of other segments of agriculture?"

That is what we are doing. We are pleasing them by giving them nothing, and one who is pleased in that manner is not worthy of the attention of this body.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield to my good friend, the gentleman from Massachusetts.

Mr. BURKE. Mr. Speaker, I wish to associate myself with the statements made by the distinguished gentleman from New York.

Mr. Speaker, on August 14, I addressed a letter to my colleagues expressing my strong opposition to the action of the other body in imposing rigid statutory import quotas on beef, veal, and mutton. On August 11, in connection with the consideration of the resolution under

which the meat import quota bill was sent to a conference committee, I enumerated many reasons why I thought this legislation was not in the best interests of the United States. On August 15, I sent a further memorandum to my colleagues pointing out that we have a favorable balance of trade of \$5 billion, of which \$3 billion constitutes trade in agricultural products, and that we may well suffer retaliation not only on those agricultural products, such as wheat and feed grains, tobacco, rice, soybeans, and so forth, but also on our industrial products, if this legislation is enacted.

Mr. Speaker, I will not today burden the House with all of the arguments which I heretofore made against what I consider to be extremely unwise legislation. However, I wish to reiterate that I do not regard it to be in the best interests of the United States, because, first, it will not help the cattle producer; second, it can be expected to materially increase the cost of domestic meat prices in the cheaper grades of meat which are used most extensively by the American consumer; third, it will injure us in our negotiations under the forthcoming meetings; and fourth, in the form in which it was handled every Member of this House is foreclosed from offering any amendments to the legislation which is now before us. It is bad procedurally and it is bad in substance. I have heretofore pointed out that there are no less than 125 bills, introduced by 89 Members, pending before the Committee on Ways and Means which would impose import quotas in some form on products other than meat, and I have further pointed out that this list does not include more than 400 tariff bills the majority of which would impose higher duties on a variety of products, which are also pending before the Committee on Ways and Means. The authors of this other pending legislation have no consideration in the procedure under which we find ourselves today.

Our allies, Australia and New Zealand primarily, have reason for more than a passing interest in H.R. 1839, the legislation affecting importation of beef into the United States, and must fully realize how deep has been the controversy over this measure.

It further stands to reason that all beef exporting countries which ship to the U.S. market know that our consumer groups and others interested in maintaining good relations with our allies have fought bitterly against any measure which would hamper these allies, particularly over this meat import controversy.

Our beef-exporting allies must know of the valiant work done in this controversy by the Meat Importers Council, Inc., and other industrial and pro bono publico groups, to prevent legislation which would have been detrimental to all concerned.

For that reason, the record of this debate in the House should include an expression of the spirit behind the action of the Congress—that it expects that no discrimination or retaliatory action will be taken in any of the beef exporting nations against any American-owned companies working within their borders.

By this, I do not mean to imply that any such retaliation or discrimination against American-owned companies working in Australia, New Zealand, or any other meat-exporting nation is to be expected. Yet, in fulfillment of our obligation as legislators, I feel that it would be remiss not to include this as being an important factor for the guidance of the Secretary of State and the Secretary of Agriculture in future dealings with our allies, on this and other matters of mutual interest.

This is legislation which should have full and complete hearings before the committee of the House of Representatives which, under the Constitution, is supposed to handle tariff and trade legislation—the Committee on Ways and Means. Under the procedure with which today we are confronted, there is not even an opportunity for an executive session by the committee for the offering of amendments—let alone the conduct of full public hearings which legislation of this nature requires.

Mr. Speaker, for the reasons which I have quite fully established, I am opposed to this legislation.

Mr. Speaker, I ask unanimous consent to include an editorial that appeared in the well-known Boston Herald.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KEOGH. I thank my colleagues.

Mr. BURKE. Mr. Speaker, the editorial is as follows:

HIGH COST OF MEAT QUOTAS

House and Senate conferees are still wrangling over a Senate effort to attach beef quota legislation to a harmless House bill on the importation of wildlife.

The Senate amendment would limit beef imports after 1964 to the average annual amount brought in between 1959 and 1963. It would mean sharp cutbacks from 1964 import levels, and would theoretically increase the market for domestic beef.

Chief opposition to date has come from the State Department, which fears that the imposition of beef quotas by the United States will bring retaliations from other beef-producing nations and undermine our efforts to win a general lowering of trade barrier in the so-called Kennedy round.

Increasingly, however, another argument is being heard. This points to the effect quotas will have on the American consumer. Congressman JAMES BURKE, of Massachusetts, has recently denounced the quota plan as a "raid on the pocketbook of the consumers."

Pointing out that domestic overproduction of fed beef, not imports, is the real cause of the cattle industry's trouble, he told the House:

"We cannot afford to restrict our meat imports to artificially low levels. We're not importing in any significant quantity the kind of beef that is important in our domestic production. That's the kind that was under continuing price pressure through 1963. We're importing a kind of beef we don't produce enough of at home. We're importing a kind of beef that's equivalent to the beef from our old cows and bulls. This beef is used for hamburgers, for manufacturing hotdogs, sausages, luncheon meats. These are foods our children love. These are foods our poorer families can afford to eat more often than the big juicy beefsteak.

"The working family would be hardest hit as they would be forced into paying higher prices for meat products for the family."

So there are two strong reasons for turning down the Senate beef amendment. Whatever the result of the conference, the House should hold firm and refuse to go along with this dangerous experiment in protectionism. What we want is lower trade barriers and lower prices, not the reverse.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield to the distinguished and most capable member of our committee, the gentlewoman from Michigan [Mrs. GRIFFITHS].

Mrs. GRIFFITHS. Mr. Speaker, I would like to associate myself with the gentleman's remarks and point out that the very theory of protection is to increase the domestic prices. In fact, this theory of protection has been a light that has failed—from McKinley to Kennedy. It temporarily increases domestic prices and it has always cost us our foreign markets. This will be true in this case, too. We are hurting our friends, and finally ourselves. Protection will result in a depressed domestic and world price on beef and other products.

I trust we are not sending up a signal that any group of lobbyists in this country can come in here among the 200 others that are seeking protection and ask for additional protection.

Mr. Speaker, of all the people involved in this operation, the beef producers of this country deserve protection the least. They are already getting favorable tax treatment, which is one of the reasons for our own tremendous beef production. We would be better advised to remove the capital gains treatment from breeder stock than to set up a quota restriction under which our best customers and our best friends can sell beef to us.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield to the distinguished gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, on behalf of the consumers of my district and of the Nation, I think this is mischievous legislation which its sponsors themselves will regret if it becomes law. We are inviting other countries—particularly those which sell us beef and sheep in fresh, chilled, or frozen form to retaliate immediately against American agricultural imports. We actually invite them to do so by the language in this report, for it says that if they threaten to retaliate or do retaliate, the President can immediately suspend these quota restrictions. How long would it take this Congress to act if some other government imposed restrictions on our products with a public notice that they would lift the restrictions the minute we started to retaliate?

But from the consumer aspect, the point here is that we are asked to deliberately raise the prices of all beef and all beef products merely because a substantial amount of foreign beef goes into hot dogs and commercial hamburger. Why does not American beef compete for this market? They are not doing so.

Mr. Speaker, we are spending millions upon millions of dollars contributed by taxpayers, who in most instances live in cities, in order to support the American cattle industry by purchasing choice beef for the school lunch program and

other surplus removal outlets. More money has been spent on beef under section 32 than on any other commodity. Now, you can say this is section 32 money that the taxpayer does not contribute to—that it comes from customs receipts. But who pays the customs receipts? The American consumer pays them in the cost of imported products—including imported meat. Between March 2 and June 19 we spent \$65 million to support the price of beef.

Mr. Speaker, this bill should be defeated. There have been no hearings by either the Ways and Means Committee or the Senate Finance Committee on the merits or justification for quota restrictions on low-grade beef and sheep carcasses. The National Commission on Food Marketing has a responsibility to study this matter objectively, and, as a member of that Commission, it would be my intention to be objective, but that is going to be hard to do if the Congress jams down our throats a mandatory quota without any hearings or investigation.

(Mrs. SULLIVAN asked and was given permission to revise and extend her remarks.)

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield to the distinguished gentleman from Iowa.

Mr. SMITH of Iowa. Is it not true that under the formula in this bill, when there is a big surplus of beef on the market and we do not need imports, the amount that is permitted to come in increases; and the supply decreases, and imports could be used to stabilize supplies then the supply that is permissible to come in also decreases? In other words, it is an upside down formula; is that not correct?

Mr. KEOGH. It would seem so, but I do not want to get into any argument on that.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. KEOGH. I yield to the distinguished gentleman from Connecticut.

[Mr. MONAGAN addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. KEOGH. Mr. Speaker, in their celestial abodes, there are residents whom we know and I shudder to think what the spirit of the great Cordell Hull is saying to the great John Kennedy when they witness what this body, I know, is about to do.

Mr. Speaker, I have been around here long enough to know that when the motor in the juggernaut is started and when the gears are shifted into the go position, the best thing for a little boy from Brooklyn to do is to get out of the way. But, Mr. Speaker, today I am going to get out of the way of that juggernaut with the loudest resounding "no" that you have ever heard me utter.

Mr. MILLS. Mr. Speaker, I think it would be appropriate for me at this point to yield 2 minutes to the author of the bill, H.R. 1839, the gentleman from California [Mr. TEAGUE].

Mr. TEAGUE of California. Mr. Speaker, a few days ago, I stood here in the well of the House and pleaded with

my colleagues to be sure that they referred to H.R. 1839 as the Teague bill.

This was because I was proud to have been the father of such a clean, beautiful little fellow as 1839. Every one of you helped in his delivery because he emerged from this body by unanimous vote. He was prepared to do great things for boa constrictors and gorillas and their owners.

But in the course of events, my little baby was sent to the Senate pediatric hospital. He was horribly neglected there for a year and a half. During all of those months he was kept in dank closets and pigeonholes.

Then, recently, some of the eminent surgeons in the Senate hospital, headed by Drs. MANSFIELD and KEATING, I believe, decided to perform major surgery on poor little 1839.

The operation was a great success by the standards which prevail in the Senate hospital. My little fellow was completely gutted. All that remained of him was the identification number on his poor little wrist. He no longer even bore my name. His little shell, however, had been stuffed by the surgeons in the Senate hospital with all sorts of things entirely foreign to 1839, his heritage and ancestry.

This new creature was sent back to the House not bearing the slightest resemblance to the splendid little fellow who left here 3 years ago.

Our surgeons, Drs. MILLS, BYRNES, and CURTIS made heroic attempts at plastic surgery to restore 1839 to his original condition and character. But, alas, I fear they have failed.

Mr. Speaker, I must disclaim fatherhood of 1839 as he is before us today. I am willing to contribute a little to his support, but he is not mine—my blood no longer flows in his veins.

I suggest that Dr. Calver be asked to perform a blood test to determine whether Dr. MANSFIELD or some other person in the Senate hospital is the real father. Or perhaps it is Dr. MILLS. It could be Dr. BYRN, but under all the circumstances, I suppose that is unlikely.

But I repeat, Mr. Speaker, "This child ain't mine."

Mr. MILLS. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS], a member of the conference committee.

(Mr. CURTIS asked and was given permission to revise and extend his remarks.)

Mr. CURTIS. Mr. Speaker, I believe it is important that I point out to my colleagues that although I signed the conference report, in order to bring this matter to the floor, as the promise was, so that the House could work its will, I certainly do not recommend that anyone vote for it. I myself shall vote against it.

A great deal of what the gentleman from New York [Mr. KEOGH] said about the dire consequences to our country inherent in this bill is true. Indeed, what he said was exactly what the administration witnesses, including the Under Secretary of State, the Secretary of Agriculture, and Ambassador Herter, our chief trade negotiator, said.

I wish to repeat here what I said in

the Ways and Means Committee and during the conference. This entire matter can be resolved within a very short time if the administration spokesmen will go back to President Lyndon Johnson and have him say publicly no more than what they have said to us about the dire consequences to our country if the bill passes and what we heard the gentleman from New York [Mr. KEOGH] say. Yet that word from the President has not been forthcoming.

This is either a hoax on the consumer or it is a hoax on the cattle owner—or perhaps it is a hoax on both. I do not wish to be a part of this kind of operation.

I wish to discuss procedures a bit. People seem concerned about the Constitution of the United States only when it pertains to something which is of concern to them. In the Constitution it is provided that tax measures—and this is a tax measure, having to do with tariffs—shall originate only in the House of Representatives. This is why I have been fighting the nongermane amendments which are tacked on to our tax bills when they come back from the other body.

This has gone to the extreme that the other body knocked everything out of the tax bill of the House except the number. I raised this question in conference. After knocking out everything but the number, can Members so violate the Constitution as to bring this matter back with nothing but a bill originating in the other body. It is no amendment to a House tax bill.

This is a question of procedures, which I know many do not pay much attention to, but this is important and it is basic.

Finally, I make the observation that perhaps something has happened which we and the public do not know about. Perhaps the cattle owners have not been as foolish as this sounds. Perhaps there is a deal which has been made under the table, just as there was so far as the textile people were concerned a few years ago. The only way we are going to find that out will be in the ensuing months.

I can state that under the provisions of the bill and the report there is an item which says that the President can suspend any quotas if such action is required by overriding economic or national security.

If any quotas go into effect—in accordance with the provisions of the bill—if anyone were to ask the Secretary of State, the Secretary of Agriculture or Mr. Herter whether in their judgment overriding economic circumstances did not now prevail, the answer of course would have to be "yes." And the quotas would be suspended.

I think this is a very sorry day not just for the House of Representatives but for the Congress and, I regret to say, for our Nation.

Mr. LINDSAY. Mr. Speaker, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from New York.

Mr. LINDSAY. I thank the gentleman for yielding. First, I want to compliment the distinguished gentleman on his excellent statement. Now, I have one question. The distinguished gentleman

from New York [Mr. Keogh] made very strong statements to the effect that this conference report would pull the rug out from underneath U.S. negotiators in Geneva on tariff and trade problems. Now the gentleman is a good spokesman for the administration and always has been. How can he say this, then, when other spokesmen for the administration on his side of the aisle take the position President Johnson would sign the conference report? How could he sign it if, in fact, it would pull the rug out from underneath the United States and its negotiators in Geneva?

Mr. CURTIS. I might say to the gentleman the administration leaders who were in our sessions said they felt this was a bad bill—almost the language that the gentleman from New York used—but they would reluctantly not advocate a veto.

The chairman of the Committee on Ways and Means has already told us in his judgment the President apparently will not veto it. I think President Johnson has to answer to the country on this.

Mr. MILLS. Mr. Speaker, permit me to advise my colleagues in conclusion of this debate that I and everyone else, I am sure, would have preferred that this legislation not rise and the circumstances that prompted it not have come about, but those who talk about reciprocal trade agreements and those who talk about world trade action should bear in mind that I, too, have been interested in promoting world trade. I think I can pardonably take credit for a little bit of the success that we have experienced legislatively in the passage of legislation of that nature. However, Mr. Speaker, at the same time let me point out that I deem it a responsibility as a Member of the House of Representatives ever to be mindful—ever to be mindful—of the overriding economic interests of the people of the United States as we seek to enlarge markets abroad.

Mr. Speaker, all we are trying to do here is to resolve a very knotty problem in a way that will give to those who need protection the protection they need without bringing into existence all of the dark consequences that would follow some other type of approach to providing that degree of protection or perhaps an unneeded and unwarranted degree. I want to assure my colleagues I feel they can justifiably support this conference report, having in mind the best interests of the consumers and having in mind the best interests of all of the people of the United States. Therefore, Mr. Speaker, I urge the adoption of the conference report.

Mr. Speaker, I move the previous question.

The previous question was ordered.

Mrs. KELLY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Does anyone on the minority side have a motion? If not, the Clerk will report the motion to recommit offered by the gentlewoman from New York [Mrs. KELLY].

The Clerk read as follows:

Mrs. KELLY moves to recommit the conference report to the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mrs. KELLY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the conference report.

Mr. MILLS. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 232, nays 149, not voting 49, as follows:

[Roll No. 236]

YEAS—232

Abbutt	Fuqua	Patman
Abele	Gary	Pepper
Abernethy	Gathings	Perkins
Albert	Gonzalez	Pickle
Anderson	Goodling	Poage
Andrews, Ala.	Grant	Poff
Andrews, N. Dak.	Gray	Purcell
Arends	Griffin	Que
Ashbrook	Gross	Quillen
Ashmore	Gurney	Randall
Aspinall	Hagan, Ga.	Reid, Ill.
Auchincloss	Haley	Rhodes, Ariz.
Baker	Hall	Rivers, S.C.
Baldwin	Halleck	Roberts, Ala.
Barrett	Hansen	Roberts, Tex.
Bass	Harding	Rogers, Colo.
Battin	Hardy	Rogers, Fla.
Becker	Harris	Rogers, Tex.
Beckworth	Harrison	Rooney, Pa.
Beermann	Harsha	Roudebush
Belcher	Harvey, Ind.	Roush
Bennett, Fla.	Hays	Saylor
Berry	Henderson	Schadeberg
Betts	Herlong	Schenck
Boggs	Horan	Schwengel
Bolton	Horton	Scott
Oliver P. Hull	Huddleston	Secrest
Bonner	Hutchinson	Selden
Bow	Ichord	Senner
Bray	Jarman	Short
Brock	Jennings	Shriver
Bromwell	Jensen	Sikes
Brooks	Johansen	Siler
Brozman	Johnson, Calif.	Sisk
Brown, Ohio	Johnson, Pa.	Skubitz
Broyhill, N.C.	Johnson, Wis.	Slack
Broyhill, Va.	Jonas	Smith, Va.
Bruce	Kastenmeler	Snyder
Burkhalter	Kilgore	Springer
Burleson	Knox	Stafford
Burton, Utah	Kornegay	Staggers
Byrnes, Wis.	Laird	Steed
Casey	Langen	Stephens
Cederberg	Latta	Stinson
Chamberlain	Lennon	Stratton
Chelf	Lipscomb	Stubblefield
Chenoweth	Lloyd	Taft
Clancy	Long, La.	Talcott
Clark	Long, Md.	Taylor
Clausen, Don H.	McCulloch	Teague, Calif.
Clawson, Del.	McDade	Teague, Tex.
Collier	McIntire	Thomas
Colmer	McLoskey	Thompson, La.
Cooley	McMillan	Thompson, Tex.
Cramer	Mahon	Thomson, Wis.
Cunningham	Marsh	Trimble
Dague	Martin, Nebr.	Tuck
Davis, Ga.	Mathias	Tuten
Davis, Tenn.	Matsunaga	Udall
Dent	Matthews	Ullman
Denton	May	Van Pelt
Devine	Meader	Vinson
Dole	Michel	Waggonner
Dorn	Mills	Watson
Dowdy	Montoya	Watts
Downing	Moore	Weaver
Edmondson	Morgan	Westland
Elliott	Morris	Wharton
Everett	Morrison	White
Evins	Moss	Whitener
Fascell	Murray	Whitten
Fisher	Natcher	Wickersham
Flynt	Nelsen	Williams
Foreman	Norblad	Willis
Fountain	O'Konski	Wilson, Ind.
Frelinghuysen	Olsen, Mont.	Wright
Fulton, Tenn.	Olson, Minn.	Young
	Passman	

NAYS—149

Addabbo	Grabowski	O'Brien, N.Y.
Ashley	Green, Oreg.	O'Hara, Ill.
Ayres	Green, Pa.	O'Hara, Mich.
Barry	Griffiths	O'Neill
Bates	Grover	Osmers
Bell	Gubser	Ostertag
Boland	Hagen, Calif.	Patten
Bolling	Halpern	Pelly
Brademas	Hanna	Philbin
Broomfield	Hawkins	Pike
Brown, Calif.	Healey	Pillion
Burke	Hechler	Powell
Burton, Calif.	Holifield	Price
Byrne, Pa.	Holland	Pucinski
Cahill	Hosmer	Reid, N.Y.
Cameron	Joelson	Reuss
Cleveland	Karstensen	Rhodes, Pa.
Cohelan	Karth	Rich
Conte	Keith	Riehlman
Corbett	Kelly	Rivers, Alaska
Corman	Keogh	Robison
Curtin	Kilburn	Rooney, N.Y.
Curtis	King, Calif.	Rosenthal
Daniels	King, N.Y.	Rostenkowski
Dawson	Kirwan	Roybal
Derounian	Kluczyński	Rumsfeld
Derwinski	Kunkel	Ryan, N.Y.
Diggs	Leggett	St Germain
Donohue	Libonati	St. Onge
Dulski	Lindsay	Schneebeli
Duncan	McDowell	Schweiker
Dwyer	McFall	Sibal
Edwards	Macdonald	Sickles
Fallon	MacGregor	Smith, Iowa
Felghan	Madden	Staebler
Findley	Mailliard	Sullivan
Finnegan	Martin, Calif.	Thompson, N.J.
Fino	Martin, Mass.	Tupper
Flood	Milliken	Utt
Fogarty	Minish	Van Deerlin
Ford	Minshall	Vanik
Friedel	Monagan	Wallhauser
Fulton, Pa.	Moorhead	Weltner
Gallagher	Morton	Wildnall
Garmatz	Mosher	Wilson, Bob
Gialmo	Multer	Wilson,
Gibbons	Murphy, Ill.	Charles H.
Gilbert	Murphy, N.Y.	Wylder
Glenn	Nedzi	Younger
Goodell	Nix	Zablocki

NOT VOTING—49

Adair	Gill	Pirnie
Alger	Harvey, Mich.	Pool
Avery	Hébert	Rains
Baring	Hoeven	Reifel
Blatnik	Hoffman	Rodino
Bolton	Jones, Ala.	Roosevelt
Frances P. Buckley	Jones, Mo.	Ryan, Mich.
Carey	Kee	St. George
Celler	Kyl	Sheppard
Daddario	Landrum	Shipley
Delaney	Lankford	Smith, Calif.
Dingell	Lesinski	Toll
Ellsworth	McClory	Tollefson
Farbstein	Miller, Calif.	Whalley
Forrester	Miller, N.Y.	Winstead
Fraser	Morse	Wyman
	Pilcher	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Shipley for, with Mr. Roosevelt against.
Mr. Forrester for, with Mr. Daddario against.

Mr. Winstead for, with Mr. Toll against.
Mr. Hébert for, with Mr. Rodino against.
Mr. Pool for, with Mr. Delaney against.
Mr. Pilcher for, with Mr. Celler against.
Mrs. Kee for, with Mr. Farbstein against.

Mr. Rains for, with Mr. Carey against.
Mr. Landrum for, with Mr. Miller of California against.

Mr. Jones of Alabama for, with Mr. Dingell against.

Mr. Hoeven for, with Mr. Morse against.
Mr. Alger for, with Mr. Pirnie against.

Mrs. Frances P. Bolton for, with Mr. Lesinski against.

Mr. Ellsworth for, with Mr. Ryan of Michigan against.

Mr. Relfel for, with Mr. Buckley against.

Mr. Smith of California for, with Mr. Lankford against.

Mrs. St. George for, with Mr. McClory against.

Mr. Kyl for, with Mr. Wyman against.

Until further notice:

Mr. Blatnik with Mr. Harvey of Michigan.
Mr. Baring with Mr. Tollefson.
Mr. Fraser with Mr. Whalley.
Mr. Gill with Mr. Hoffman.
Mr. Sheppard with Mr. Adair.

Mr. GUBSER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members who spoke on the conference report just adopted may be permitted to revise and extend their remarks and to include extraneous material in the form of charts and so on.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PERSONAL EXPLANATION

Mr. CAREY. Mr. Speaker, when the vote was taken on the conference report on H.R. 1839—meat importation bill—I was appearing before the committee on resolutions and platform of the 1964 Democratic National Convention to make a statement of my position on Federal aid to education.

I returned to the floor immediately following my appearance before the committee, but not in time to cast my vote on this bill. Had I been present I would have voted "no" on this antidelicatessen, anticonsumer legislation.

This bill is against the whole spirit and principle of international trade agreements based upon reciprocal considerations and I hope that the President will veto this legislation.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 1160. Joint resolution making continuing appropriations for the fiscal year 1965, and for other purposes.

INTERNATIONAL COFFEE AGREEMENT ACT OF 1964

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 8864) to carry out the obligations of the United States under the International Coffee Agreement, 1962, signed at New York on September 28, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 13, 1964.)

The SPEAKER. The gentleman from Arkansas is recognized for 1 hour.

Mr. MILLS. Mr. Speaker, I yield myself 10 minutes.

PERSONAL ANNOUNCEMENT

Mr. FARBSTAIN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York [Mr. FARBSTAIN].

Mr. FARBSTAIN. Mr. Speaker, as a result of testifying before the Democratic platform committee, I just missed the vote on the previous conference report. If I were present, I would have voted "nay."

Mr. MILLS. Mr. Speaker, the conference report we are presently considering is in connection with the bill H.R. 8864 which passed the House on November 14, 1963, authorizing the President to carry out the obligations of the United States under the International Coffee Agreement, which was at an earlier date ratified by the Senate.

This matter comes back to the House today with certain amendments which have been adopted by the Senate, having passed that body very recently. The Senate has already, incidentally, adopted the conference report that we are now considering. H.R. 8864 as it passed the House, Mr. Speaker, was designed to provide, and only to provide, the necessary implementing legislation to enable the United States to meet its obligations under the agreement previously referred to, that was ratified by the Senate.

That agreement is now the law of the land Mr. Speaker, and it is questionable in my mind whether or not the American citizen and the consuming public can be fully protected from the past erratic behavior in coffee prices without our approving the implementing legislation which is involved in this bill and this conference report. The House conferees, therefore, urge its adoption.

Now let us look to see what we did. As the bill was passed, first, it would authorize the President to require all coffee entering the U.S. markets from member nations of this agreement and exports of this commodity to be accompanied by a certificate of origin or a certificate of re-export. That is the first thing the bill did.

Secondly, it would authorize the President to limit imports of coffee from countries which have not joined in the agreement.

Third, it would authorize the President to require the keeping of certain records and statistics and other information as well as to take such other action as he may consider necessary to implement the obligations of the United States under the agreement.

Finally, it requires the President to submit an annual report to the Congress concerning the operation of the agreement not later than January 15 of each year.

The other body left essentially unchanged the language of the bill as it

passed the House but added an amendment. This is the important amendment, the rest of them are clerical and technical and merely improve the language of the House bill. But this amendment, the one I am talking about that was added, provides that if Congress passes a concurrent resolution finding that an unwarranted increase in domestic coffee prices is attributable to the operation of this agreement, the President is directed to notify the International Coffee Council of this action and unless he determines that appropriate remedial action is taken by the Council within 30 days, the President then must initiate action under article 68 for our withdrawal from the agreement.

While there was some question raised initially about the constitutionality of this particular provision, it is now agreed I think by all the departments involved and others speaking as lawyers, that it does afford sufficient discretion and latitude for the President to act and would thus not constitute an invasion of his constitutional prerogatives nor change the agreement itself; because the agreement itself provides for the way for us to get out of the agreement.

What we are saying is that if the remedial action that we direct the President to obtain is not obtained then he must proceed to get action on withdrawal from the agreement within 30 days after the failure to get that remedial action.

In view of all this, and because the conferees of the other body were convinced that it affords protection, as were the House conferees, in addition to the protections already provided in the International Coffee Agreement for consumers, the managers on the part of the House have recommended in the conference report that the House recede and agree to the Senate amendment.

Mr. Speaker, this amendment was offered by the distinguished Senator from the State of Illinois, the minority leader of the Senate. Your House conferees, always interested as they are in avoiding increases in the price of imported articles to consumers or avoiding unduly increased prices of domestically produced articles, readily agreed to this, because it gives the Congress of the United States a greater degree of control over whether we remain in the agreement that has already been approved by the Senate, than did the bill as it passed the House. The Senate, which consented to the treaty agreed to this amendment and we felt we should accept it.

Mr. Speaker, let me look specifically at the question of whether or not the agreement itself that was ratified by the Senate has brought about any abnormal, unreasonable increases in the price of coffee, to see whether or not the implementation of this agreement by this particular conference report will mean the establishment of unreasonable prices for coffee here in the United States.

Now, Mr. Speaker, we can take the original treaty date which was in the year 1962, or the date of the deposit of notice of ratification of the agreement in December 1963. The price of coffee was around 70 to 71 cents at retail. The price of coffee today is about 84 cents, or less,

representing a recovery from abnormally low levels that prevailed previously.

Now, Mr. Speaker, permit me to contrast this present price with the price of coffee of \$1.25 a pound that prevailed back in the middle part of the 1950's when we had no agreement and long before anyone had thought in terms of the implementation of such an agreement.

Let us now look to see what is the current outlook for prices. Do we anticipate on the basis of the best information available—this is in the channels of trade as well as within the departments of Government—that there will be an increase beyond the current price of coffee? The current outlook, I am advised by those who know, Mr. Speaker, is for stable prices, and that would be for a period of time into the future. During that period of time there might even be a modest down turn in the price of coffee on the basis of the situation which exists throughout the world and under the agreement.

Now, this of course assumes—any prediction about agricultural production assumes—that there will be no great change due to droughts and other acts of nature. I want my friends to know that I am just as much concerned about the price of coffee as anyone. I may be more concerned than some people because I enjoy coffee. I drink my share of the product. I have a partner, my wife, who does considerable shopping for groceries, and I might say personally, if the price of something is a little bit unreasonable in her opinion, I hear about it.

I should also remind Members of the House that there is a mechanism in the coffee agreement, an arrangement if you please, whereby we can utilize, just as we did utilize earlier this year, to obtain additional shipments of coffee from the producing countries at any time we feel that those increased shipments are justified and needed.

Now, Mr. Speaker, I have gotten into a defense of the agreement itself rather than to talk strictly in terms of the implementing legislation. But permit me to say this in conclusion, and then I shall yield to other Members of the House. There was, as I recall, a record vote when this matter passed. Anyone who could justify a vote in November when this bill was up for consideration can today justify a vote for the conference report, for if a person was satisfied then that this implementing legislation should pass, he can take double assurance from the adoption of the conference report today because all that is involved is this additional amendment that I have described that provides the opportunity for the Congress to trigger the withdrawal from the agreement in the event prices should act differently from what I think they will and reach unreasonable levels. I had not thought this assurance was necessary due to provisions to protect against this in the treaty but I am very willing to accept the Senate amendment as an added assurance.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. KEOGH. Mr. Speaker, I perhaps am more anxious to congratulate than to criticize. Therefore I seize this opportunity to say to the distinguished chairman of the Committee on Ways and Means that the pending conference report represents a studious, logical, and proper way for us to deal with an article of important international trade. It does it in a multilateral manner. It affords a kind of protection that our friendly allies need where this item is the most important item of their economy. Yet it affords to the domestic consumers the protection which we should give to them.

Therefore, Mr. Speaker, I say that our conferees have done their usual good job. They are now back on the right track on this pending conference report, and I am delighted to join in support of it.

Mr. MILLS. On behalf of all the members of the conference group, the managers on the part of the House and the managers on the part of the Senate, all of whom signed the conference report, making it unanimous, we thank the gentleman.

Mr. KEOGH. My only concern is that in connection with the previous conference report the chairman used the word "trigger." He used it again in connection with this.

Mr. MILLS. Yes.

Mr. KEOGH. I do not know exactly in what sense it was used.

Mr. MILLS. Not in any dangerous sense, I must assure the gentleman. But under this amendment adopted by the Senate the Congress can trigger the situation of our getting out of the agreement if the Congress wants to. Bear in mind this implementation is only for a limited period of time. The whole of this subject matter will have to be reviewed by October 1, 1965.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Speaker, I yield myself 5 additional minutes.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. First of all, let me say that a few minutes ago the gentleman from New York [Mr. KEOGH], was deeply concerned about consumer prices. Now he gives his full-fledged support and endorsement to this proposal which implements the International Coffee Agreement, which in turn has kicked coffee prices right on up.

Mr. MILLS. No. I do not yield on that point. If the gentleman has a question I will try to answer it.

I gave you a figure on the price of coffee. The agreement itself, and certainly the implementing legislation, the gentleman from Iowa had occasion to discuss when it was before the House. In my opinion none of that has had anything to do with the 13- or 14-cent increase in the price of coffee, because we are under that agreement to receive

on the basis of a country-by-country allocation of a quota, such amount of coffee as we determine here we are going to need and consume. If there is no shortage of coffee coming into the United States as a result of an agreement, what is there about the agreement that would cause the price to go up?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. I have the record here, and I am sure the gentleman has the record. When the bill was before the House, H.R. 8864, last November, the gentleman at that time told the Members of the House there would be no increase.

Mr. MILLS. I did not say there would not be. I said there would be no increase, in my opinion, in the price of coffee as a result of this legislation. I urged passage so as to give the assurance of stability to our consumers and our friends.

Mr. GROSS. I would like to quote the gentleman's words. I have them here.

Mr. MILLS. That was probably a 30-minute speech, and I do not know whether I have time to listen or not. I remember what I said, and I am saying the same thing now, that there is nothing about the agreement that we have entered into, in my opinion, and there is nothing about the implementing legislation that is involved in this conference report, that in any way would justify an increase in the price of coffee through these things and these things alone. The purpose of the agreement is simply to provide stability to coffee prices.

Mr. GROSS. At what point?

Mr. MILLS. I think we have it stabilized now.

Mr. GROSS. At 91 or 92 cents a pound? Sure.

Mr. MILLS. My friend from Iowa, coming from a great State that produces so many fine agricultural commodities, knows that there are many factors in the production of an agricultural commodity that determine how many pounds or bushels of that product there are going to be. There is no way we can legislate controls over weather in South America. There is no way we can legislate controls over these unknown factors that may do again just what they did in the middle fifties when they raised the price of coffee to the American people to \$1.25.

What I am saying is that there is nothing in this agreement, nothing in this implementing legislation, that in any way would be responsible for this situation now. The sole purpose of it is to bring about a stability in the price, the very thing for coffee and the producers of coffee that we have insisted on for agricultural products here in the United States, also the very thing we have just done for beef.

Mr. GROSS. On May 27 of this year the gentleman brought before the House a bill which would exempt soluble and instant coffee from tariff duty.

Mr. MILLS. That is right.

Mr. GROSS. At the time I asked the gentleman concerning the act of last

Public Law 88-482
88th Congress, H. R. 1839
August 22, 1964



An Act

78 STAT. 594.

To provide for the free importation of certain wild animals, and to provide for the imposition of quotas on certain meat and meat products.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) item 852.20 of title I of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, August 17, 1963) is amended to read as follows:

Wild birds and animals.
Free entry.
77A Stat. 420.
19 USC 1202.

" 852.20	Wild animals (including birds and fish) imported for use, or for sale for use, in any scientific public collection for exhibition for scientific or educational purposes.	Free	Free
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(b) Headnote 1 of part 4 of schedule 8 of such title I is amended by striking out "item 850.50," and inserting in lieu thereof "items 850.50 and 852.20."

(c) The amendments made by this section shall take effect on the tenth day after the date of the enactment of this Act.

SEC. 2. (a) It is the policy of the Congress that the aggregate quantity of the articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States which may be imported into the United States in any calendar year beginning after December 31, 1964, should not exceed 725,400,000 pounds; except that this quantity shall be increased or decreased for any calendar year by the same percentage that estimated average annual domestic commercial production of these articles in that calendar year and the two preceding calendar years increases or decreases in comparison with the average annual domestic commercial production of these articles during the years 1959 through 1963, inclusive.

Meat imports, limitation.

77A Stat. 20.
19 USC 1202.

(b) The Secretary of Agriculture, for each calendar year after 1964, shall estimate and publish—

(1) before the beginning of such calendar year, the aggregate quantity prescribed for such calendar year by subsection (a), and

(2) before the first day of each calendar quarter in such calendar year, the aggregate quantity of the articles described in subsection (a) which (but for this section) would be imported in such calendar year.

In applying paragraph (2) for the second or any succeeding calendar quarter in any calendar year, actual imports for the preceding calendar quarter or quarters in such calendar year shall be taken into account to the extent data is available.

(c) (1) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) equals or exceeds 110 percent of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if there is no limitation in effect under this section with respect to such calendar year, the President shall by proclamation limit the total quantity of the articles described in subsection (a) which may be entered, or withdrawn from warehouse, for consumption, during such calendar year, to the aggregate quantity estimated for such calendar year by the Secretary of Agriculture pursuant to subsection (b) (1).

Presidential Proclamation.

(2) If the aggregate quantity estimated before any calendar quarter by the Secretary of Agriculture pursuant to subsection (b) (2) does not equal or exceed 110 percent of the aggregate quantity estimated by him pursuant to subsection (b) (1), and if a limitation is in effect under this section with respect to such calendar year, such limitation shall cease to apply as of the first day of such calendar quarter;

except that any limitation which has been in effect for the third calendar quarter of any calendar year shall continue in effect for the fourth calendar quarter of such year unless the proclamation is suspended or the total quantity is increased pursuant to subsection (d).

(3) The Secretary of Agriculture shall allocate the total quantity proclaimed under paragraph (1), and any increase in such quantity pursuant to subsection (d), among supplying countries on the basis of the shares such countries supplied to the United States market during a representative period of the articles described in subsection (a), except that due account may be given to special factors which have affected or may affect the trade in such articles. The Secretary of Agriculture shall certify such allocations to the Secretary of the Treasury.

(d) The President may suspend any proclamation made under subsection (c), or increase the total quantity proclaimed under such subsection, if he determines and proclaims that—

(1) such action is required by overriding economic or national security interests of the United States, giving special weight to the importance to the nation of the economic well-being of the domestic livestock industry;

(2) the supply of articles of the kind described in subsection (a) will be inadequate to meet domestic demand at reasonable prices; or

(3) trade agreements entered into after the date of the enactment of this Act ensure that the policy set forth in subsection (a) will be carried out.

Any such suspension shall be for such period, and any such increase shall be in such amount, as the President determines and proclaims to be necessary to carry out the purposes of this subsection.

(e) The Secretary of Agriculture shall issue such regulations as he determines to be necessary to prevent circumvention of the purposes of this section.

(f) All determinations by the President and the Secretary of Agriculture under this section shall be final.

Approved August 22, 1964.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 25 (Comm. on Ways & Means) and No. 1824 (Comm. of Conference).

SENATE REPORT No. 1167 (Comm. on Finance).

CONGRESSIONAL RECORD:

Vol. 109 (1963): Feb. 26, considered and passed House.

Vol. 110 (1964): July 27, considered in Senate.

July 28, considered and passed Senate, amended.
Aug. 11, House disagreed to Senate amendments and requested conference.

Aug. 18, House and Senate agreed to conference report.

Proclamation
suspension.